

5007. By Mr. LINDSAY: Petition of Central Trades and Labor Council of Greater New York and vicinity, presenting a set of resolutions registering a vigorous protest against House bill 11137; to the Committee on the Merchant Marine and Fisheries.

5008. By Mr. LYON: Petition of certain citizens of Wilmington, N. C., protesting against the passage of a Sunday observance law for the District of Columbia; to the Committee on the District of Columbia.

5009. By Mr. O'BRIEN: Petition of over 40 residents, business men, and firms of Clarksburg, Weston, Buckhannon, Glenville, Shinnston, Bridgeport, Salem, Lumberport, West Union, Smithfield, Pennsboro, Cairo, Harrisville, Cowen, Richwood, Burnsville, Sutton, Gassaway, and Elkins, State of West Virginia, favoring House bill 11, to protect trade-mark owners, distributors, etc.; to the Committee on Interstate and Foreign Commerce.

5010. By Mr. O'CONNELL: Petition of the Lafayette Post, the American Legion, Washington, D. C., favoring the naval construction as proposed by President Coolidge and Secretary of the Navy; to the Committee on Naval Affairs.

5011. By Mr. RAMSEYER: Petition of residents of Grinnell, Iowa, protesting against the passage of House bill 78, or any other compulsory Sunday observance legislation; to the Committee on the District of Columbia.

5012. By Mr. SANDERS of New York: Petition of Mrs. F. Gutfrucht, signed by 60 citizens of Rochester, N. Y., protesting against the passage of House bill 78, the Lankford compulsory Sunday observance bill; to the Committee on the District of Columbia.

5013. By Mr. SELVIG: Petition of F. H. Ross and 39 farmers and residents of Fisher, Minn., protesting against the passage of House bill 6465, the purpose of which is to place Mexico and Canada on a quota basis; to the Committee on Immigration and Naturalization.

5014. Also, petition of Walter Ross and 40 farmers and residents of Fisher, Minn., protesting against the passage of House bill 6465, the purpose of which is to place Mexico and Canada on a quota basis; to the Committee on Immigration and Naturalization.

5015. Also, petition of S. J. Ostby and 23 farmers and residents of Erskine, Minn., protesting against the passage of House bill 6465, the purpose of which is to place Mexico and Canada on a quota basis; to the Committee on Immigration and Naturalization.

5016. By Mr. SMITH: Petition signed by O. H. Hungerford and 10 other residents of Idaho Falls, Idaho, protesting against the enactment of any compulsory Sunday observance legislation; to the Committee on the District of Columbia.

5017. Also, petition signed by 25 citizens of Twin Falls County, Idaho, protesting against the enactment of any compulsory Sunday observance legislation; to the Committee on the District of Columbia.

5018. Also, petition signed by 160 residents of Elmore County, Idaho, protesting against the enactment of any compulsory Sunday observance legislation; to the Committee on the District of Columbia.

5019. Also, petition signed by 78 residents of Ada County, Idaho, protesting against the enactment of any compulsory Sunday observance legislation; to the Committee on the District of Columbia.

5020. Also, petition of 411 citizens of Idaho Falls, Idaho, protesting against the enactment of the Lankford bill providing for compulsory Sunday observance; to the Committee on the District of Columbia.

5021. Also, petition of 450 citizens of Idaho Falls, Idaho, protesting against the enactment of the Lankford bill providing for compulsory Sunday observance; to the Committee on the District of Columbia.

5022. Also, petition of citizens of Boise, Idaho, protesting against the enactment of the Lankford Sunday rest bill; to the Committee on the District of Columbia.

5023. Also, petition of citizens of Boise, Idaho, protesting against the enactment of the Lankford Sunday rest bill; to the Committee on the District of Columbia.

5024. Also, petition signed by 585 citizens of Ada County, Idaho, protesting against the enactment of any compulsory Sunday observance legislation; to the Committee on the District of Columbia.

5025. By Mr. SINNOTT: Petition of numerous residents of Hood River County, Oreg., protesting against the passage of House bill 78, the Lankford bill, or any similar compulsory Sunday observance legislation; to the Committee on the District of Columbia.

5026. Also, petition of numerous residents of Pendleton, Oreg., protesting against the enactment of the Lankford bill (H. R.

78) or any similar compulsory Sunday observance legislation; to the Committee on the District of Columbia.

5027. By Mr. STEELE: Petition of 18 citizens of Atlanta, Fulton County, Ga., protesting against the passage of legislation enforcing compulsory Sunday observance (H. R. 78); to the Committee on the District of Columbia.

5028. By Mr. SWING: Petition of residents of San Diego, Calif., protesting against compulsory Sunday observance laws; to the Committee on the District of Columbia.

5029. Also, petition of residents of San Diego, Calif., protesting against compulsory Sunday observance laws; to the Committee on the District of Columbia.

5030. By Mr. THATCHER: Petition of numerous citizens of Louisville, Ky., protesting against the enactment of compulsory Sunday observance legislation; to the Committee on the District of Columbia.

5031. By Mr. VINCENT of Michigan: Petition of residents of Alma, Mich., urging more liberal pension legislation for the benefit of veterans of the Civil War and their widows; to the Committee on Invalid Pensions.

5032. Also, petition of residents of Sheridan, Fenwick, Vickeryville, and Butternut, Mich., urging the enactment into law of House bill 78; to the Committee on the District of Columbia.

5033. Also, petition of residents of the eighth congressional district of Michigan, in opposition to House bill 78, or any other bill providing for compulsory Sunday observance; to the Committee on the District of Columbia.

5034. By Mr. WYANT: Petition of Harry L. Handel Post, No. 401, the American Legion, West Newton, Pa., favoring five-year Navy program; to the Committee on Naval Affairs.

5035. Also, petition of committee on immigration and naturalization, California State Society of the Sons of the American Revolution, favoring passage of Box bill to restrict Mexican, West Indian, Central, and South American immigration; to the Committee on Immigration and Naturalization.

## SENATE

WEDNESDAY, March 7, 1928

(Legislative day of Tuesday, March 6, 1928)

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

### MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were thereupon signed by the Vice President:

S. 1455. An act to grant extensions of time under coal permits;

S. 1946. An act relative to the pay of certain retired warrant officers and enlisted men and warrant officers and enlisted men of the reserve forces of the Army, Navy, Marine Corps, and the Coast Guard, fixed under the terms of the Panama Canal act, as amended;

S. 2483. An act to revive and reenact the act entitled "An act granting the consent of Congress to the State of Illinois and the State of Iowa, or either of them, to construct a bridge across the Mississippi River, connecting the county of Carroll, Ill., and the county of Jackson, Iowa," approved May 26, 1924;

S. 2545. An act to authorize the sale of certain lands near Garden City, Kans.;

S. 2698. An act granting the consent of Congress to the State of Vermont to construct, maintain, and operate a free highway bridge across an arm of Lake Memphremagog at or near Newport, Vt.;

S. 2801. An act granting the consent of Congress to the New Martinsville & Ohio River Bridge Co. (Inc.) to construct, maintain, and operate a bridge across the Ohio River at or near New Martinsville, W. Va.;

H. R. 11197. An act to authorize the Secretary of War to grant rights of way to the Vicksburg Bridge & Terminal Co. upon, over, and across the Vicksburg National Military Park at Vicksburg, Warren County, Miss.;

S. J. Res. 66. Joint resolution authorizing an additional appropriation to be used for the memorial building provided for by a joint resolution entitled "Joint resolution in relation to a monument to commemorate the services and sacrifices of the women of the United States of America, its insular possessions, and the District of Columbia in the World War," approved June 7, 1924; and

H. J. Res. 176. Joint resolution granting consent of Congress to an agreement or compact entered into between the State of Wisconsin and the State of Michigan for the construction, maintenance, and operation of a highway bridge across the Menominee River.

## CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Ferris	La Follette	Shipstead
Barkley	Fess	McKellar	Shortridge
Bayard	Fletcher	McMaster	Simmons
Black	Frazier	McNary	Smith
Blaine	George	Mayfield	Smoot
Blense	Gerry	Metcalf	Steck
Borah	Glass	Necly	Steiwer
Bratton	Gooding	Norbeck	Stephens
Brookhart	Gould	Norris	Swanson
Broussard	Greene	Nye	Thomas
Bruce	Hale	Oddie	Tydings
Capper	Harris	Phipps	Tyson
Caraway	Harrison	Pine	Wagner
Copeland	Hayden	Pittman	Walsh, Mass.
Couzens	Heflin	Ransdell	Walsh, Mont.
Curtis	Howell	Reed, Pa.	Warren
Cutting	Johnson	Robinson, Ark.	Waterman
Dale	Jones	Robinson, Ind.	Watson
Deneen	Kendrick	Sackett	Willis
Dill	Keyes	Schall	
Edge	King	Sheppard	

The VICE PRESIDENT. Eighty-two Senators having answered to their names, a quorum is present.

## PETITIONS AND MEMORIALS

Mr. WILLIS presented a petition of sundry citizens of Franklin and Delaware Counties, Ohio, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

Mr. WATSON presented a petition of sundry citizens of La Porte County, Ind., praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

Mr. JONES presented a petition of sundry citizens of Tacoma, Wash., praying for the passage of legislation creating a Federal department of education, which was referred to the Committee on Education and Labor.

Mr. FRAZIER presented a resolution of Florence Kimball Post, No. 7, American Legion, of Lisbon, N. Dak., favoring the adoption of a naval building program as recommended by the National Convention of the American Legion, which was referred to the Committee on Naval Affairs.

Mr. REED of Pennsylvania presented a memorial of the Philadelphia (Pa.) Board of Trade, remonstrating against the passage of House bill 10568, to foster agriculture and to stabilize the prices obtained for agricultural commodities, which was referred to the Committee on Agriculture and Forestry.

He also presented a memorial of the Philadelphia (Pa.) Board of Trade, remonstrating against the passage of the bills S. 1176 and H. R. 7940, providing for farm relief, etc., which was referred to the Committee on Agriculture and Forestry.

## REPORTS OF COMMITTEES

Mr. ASHURST, from the Committee on Indian Affairs, to which was referred the bill (S. 1145) to authorize appropriations for the survey, construction, and maintenance of highways on or adjacent to untaxed Indian lands, reported it with amendments and submitted a report (No. 495) thereon.

Mr. KENDRICK, from the Committee on Indian Affairs, to which was referred the bill (S. 3343) for the relief of the Arapahoe and Cheyenne Indians, and for other purposes, reported it with an amendment and submitted a report (No. 496) thereon.

Mr. CARAWAY, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 1093) to prevent the sale of cotton and grain in future markets, reported it without amendment and submitted a report (No. 497) thereon.

Mr. BORAH, from the Committee on Foreign Relations, to which was referred the joint resolution (S. J. Res. 57) requesting the President to immediately withdraw the armed forces of the United States from Nicaragua, submitted an adverse report (No. 498) thereon.

Mr. JONES, from the Committee on Indian Affairs, to which was referred the bill (H. R. 308) authorizing an appropriation for the survey and investigation of the placing of water on the Michaud division and other lands in the Fort Hall Indian Reservation, reported it without amendment and submitted a report (No. 499) thereon.

## ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mr. GREENE, from the Committee on Enrolled Bills, reported that on March 7, 1928, that committee presented to the President of the United States the following enrolled bills and joint resolution:

S. 1455. An act to grant extensions of time under coal permits;

S. 1946. An act relative to the pay of certain retired warrant officers and enlisted men and warrant officers and enlisted men of the reserve forces of the Army, Navy, Marine Corps, and the Coast Guard, fixed under the terms of the Panama Canal act, as amended;

S. 2483. An act to revive and reenact the act entitled "An act granting the consent of Congress to the State of Illinois and the State of Iowa, or either of them, to construct a bridge across the Mississippi River, connecting the county of Carroll, Ill., and the county of Jackson, Iowa," approved May 26, 1924;

S. 2545. An act to authorize the sale of certain lands near Garden City, Kans.;

S. 2698. An act granting the consent of Congress to the State of Vermont to construct, maintain, and operate a free highway bridge across an arm of Lake Memphremagog at or near Newport, Vt.;

S. 2801. An act granting the consent of Congress to the New Martinsville & Ohio River Bridge Co. (Inc.) to construct, maintain, and operate a bridge across the Ohio River at or near New Martinsville, W. Va.; and

S. J. Res. 66. Joint resolution authorizing an additional appropriation to be used for the memorial building provided for by a joint resolution entitled "Joint resolution in relation to a monument to commemorate the services and sacrifices of the women of the United States of America, its insular possessions, and the District of Columbia in the World War," approved June 7, 1924.

## BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RANSDELL:

A bill (S. 3537) providing for the confirmation of grant of lands formerly the United States barracks at Baton Rouge, La., to the board of supervisors of the Louisiana State University and Agricultural and Mechanical College; to the Committee on Public Lands and Surveys.

By Mr. COPELAND:

A bill (S. 3538) granting an increase of pension to Hannah Geibig;

A bill (S. 3539) granting an increase of pension to Libbie Jump;

A bill (S. 3540) granting an increase of pension to Lucy M. Cousee;

A bill (S. 3541) granting an increase of pension to Addie E. Foreman;

A bill (S. 3542) granting an increase of pension to Catherine Whittleton;

A bill (S. 3543) granting an increase of pension to Ida H. Stokes;

A bill (S. 3544) granting an increase of pension to Margaret O'Leary;

A bill (S. 3545) granting an increase of pension to Mary Neff;

A bill (S. 3546) granting an increase of pension to Elizabeth McDowell;

A bill (S. 3547) granting an increase of pension to Frances L. Gamble;

A bill (S. 3548) granting an increase of pension to Elizabeth Baty;

A bill (S. 3549) granting an increase of pension to Mary E. MacAuty;

A bill (S. 3550) granting an increase of pension to Celia Dee;

A bill (S. 3551) granting an increase of pension to Alberta V. Coughnet;

A bill (S. 3552) granting an increase of pension to Ella V. Cazeau; and

A bill (S. 3553) granting a pension to Margaret B. Tew; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 3554) to authorize the National Academy of Sciences to investigate the means and methods for affording Federal aid in discovering a cure for cancer, and for other purposes; to the Committee on Education and Labor.

By Mr. McNARY:

A bill (S. 3555) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the



surplus of agricultural commodities in interstate and foreign commerce; to the Committee on Agriculture and Forestry.

#### ERADICATION OF LIVESTOCK DISEASES AND AGRICULTURAL PESTS

Mr. MAYFIELD. Mr. President, the invasions of livestock diseases and agricultural pests into the United States from foreign countries always affect the common prosperity, constitute a national menace, and threaten the general welfare. It should therefore be the policy of the Federal Government to bear the entire expense of eradicating such diseases and pests, including all damages to livestock producers for the destruction of their livestock and to farmers by reason of the establishment of non-cotton zones by Federal or State authority.

Acting under the authority of the law of the State in which the invasions may take place the Federal Government assumes direct control. The policy to be followed and the measures to be employed are determined by the Federal Government, the States being given no power or authority whatever. During the last few years Texas has had two experiences of these invasions which she has not forgotten. The first of these was the pink bollworm pest which came into our State from Mexico on account of inadequate quarantine facilities and supervision, and the second was the foot-and-mouth disease which came into Texas from a foreign country on account of lack of proper quarantine supervision. The loss to our livestock producers and farmers on account of these two invasions can never be truly estimated, but they are as nothing compared to the losses which our cotton farmers in west Texas will sustain on account of the new invasion of the pink bollworm from Mexico, according to reports which have been made to Federal and State authorities.

Under prevailing conditions Texas and other border States are likely to have forced upon them the burden and the cost of protecting the general welfare of the Nation and at the same time have no hand in quarantine regulations or policies to be pursued. Certainly, States ought not to be penalized because they are border States.

Under existing law part of the expenses incident to the eradication of livestock diseases and agricultural pests that come into the United States from foreign countries is borne by the Federal Government and part by the State where the invasion occurs. Upon the Federal Government alone must rest the responsibility for the invasion of livestock diseases and agricultural pests into the United States from foreign countries. Therefore, the present Congress should acknowledge this responsibility of the Federal Government by enacting into law the measure which I now introduce in the Senate, which provides that the General Government should assume the full cost of control and eradication in such instances.

The bill (S. 3536) to provide that the United States shall bear all expense incurred in the eradication and control of diseases of livestock and of agricultural pests introduced into the United States from any foreign country was read twice by its title and referred to the Committee on Agriculture and Forestry.

Mr. MAYFIELD. I ask unanimous consent to have printed in the RECORD as a part of my remarks and referred to the Agricultural Committee a letter received from Hon. R. M. Kelly, president of the East Texas Chamber of Commerce, and a resolution adopted by that chamber of commerce.

There being no objection, the letter and accompanying resolution were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

EAST TEXAS CHAMBER OF COMMERCE,  
Longview, Tex., March 3, 1928.

Hon. EARLE B. MAYFIELD,

Senate Office Building, Washington, D. C.

DEAR SENATOR: Attached hereto is copy of resolution which has been adopted by the board of directors of this organization.

The pink bollworm is characterized by agricultural authorities as one of the most dangerous pests which has ever infested the country. The resolution sets forth the fact that the Federal Government should bear the full expense of stamping out the pest. The responsibility of preventing and controlling this pest rests directly upon the shoulders of the Federal Horticultural Board, which has control of such problems, and it is unfair to ask the State to appropriate two-thirds of this expense.

Trusting that you will give this matter your serious consideration, with my most cordial good wishes, I am,

Very truly yours,

R. M. KELLY, President.

Whereas the recent widespread outbreak of the pink bollworm in Texas threatens the cotton industry of the Nation, valued in 1927 by the Crops and Markets Report of the United States for cotton and cottonseed at \$1,462,571,000, being 72 per cent of the value of and second in value only to the Nation's corn crop; and

Whereas cotton has for many years carried the balance of trade for the United States and cotton as a resource is so interwoven with our

national prosperity as to affect numerous allied and related industries; and

Whereas the National Congress has established a precedent in appropriating \$10,000,000 for the control of the European corn borer and now has before Congress a bill appropriating a similar amount for the continued prosecution of this work; and

Whereas the National Government has assumed the responsibility through its Federal Horticultural Board of preventing the introduction of dangerous insect pests into the United States, the said horticultural board having had absolute control of the promulgation and enforcement of quarantines to prevent the entry of dangerous insect pests; and

Whereas the State of Texas and its citizenship is in no wise responsible for the introduction and spread of this insect pest, but, on the other hand, its introduction has come from a foreign nation and it has made its entry into Texas in spite of the promulgation and enforcements of the Federal Horticultural Board: Therefore be it

Resolved, That we recognize this as a national emergency which threatens to shake the whole business fabric of the Nation and therefore requires immediate and vigorous action; be it further

Resolved, That, recognizing this as a national problem confronting the people of Texas and other cotton-growing States and the Nation, in which the Texas people have been in no sense responsible for the entry into and occurrence of the insect, and that the Federal Horticultural Board has had full charge of all quarantine regulations, we therefore believe that the Federal Government should bear the full expense of stamping out this insect pest and for compensating the farmers for the losses incident to handling this problem, believing that the previous experiences in which the insect has been stamped out by the establishment of noncotton zones fully justifies the Federal Government in providing the means and otherwise taking steps to eradicate this insect; be it further

Resolved, That we petition the Seventieth Congress, now in session, through our representatives in the Congress and urge the united support and petition of all the people interested in any way in the cotton industry or related industries to petition their representatives in Congress to immediately appropriate the sum of \$6,000,000, or as much thereof as may be necessary, to provide for immediate and active prosecution of the work of eradication, which offers more hope if attacked immediately than if carried out after long and repeated delays.

#### AMENDMENTS TO MUSCLE SHOALS RESOLUTION

Mr. KING, Mr. CARAWAY, and Mr. McKELLAR each submitted an amendment intended to be proposed by them, respectively, to the joint resolution (S. J. Res. 46) providing for the completion of Dam No. 2 and the steam plant at nitrate plant No. 2 in the vicinity of Muscle Shoals for the manufacture and distribution of fertilizer, and for other purposes, which were severally ordered to lie on the table and to be printed.

#### MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 700. An act authorizing the Secretary of the Interior to execute an agreement with the Middle Rio Grande conservancy district, providing for the conservation, irrigation, drainage, and flood control for the Pueblo Indian lands in the Rio Grande Valley, N. Mex., and for other purposes;

S. 771. An act providing for the gift of the U. S. S. *Dispatch* to the State of Florida;

S. 1705. An act authorizing the Court of Claims to render judgment in favor of the administrator of or collector for the estate of Peter P. Pitchlynn, deceased, instead of the heirs of Peter P. Pitchlynn, and for other purposes;

S. 2342. An act providing for a per capita payment of \$25 to each enrolled member of the Chippewa Tribe of Minnesota from the funds standing to their credit in the Treasury of the United States;

S. 2902. An act authorizing the States of Wisconsin and Michigan to construct, maintain, and operate a free highway bridge across the Menominee River at or near Marinette, Wis.;

H. R. 437. An act authorizing the Maysville Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near Maysville, Ky.;

H. R. 472. An act authorizing the Dwight P. Robinson & Co. (Inc.), its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near Maysville, Ky.;

H. R. 2809. An act for the relief of the heirs of Jacob Thomas;

H. R. 5476. An act to authorize the Secretary of War to sell to the Pennsylvania Railroad Co. a tract of land situate in the city of Philadelphia and State of Pennsylvania;

H. R. 6491. An act to amend section 8 of the act entitled "An act to supplement existing laws against unlawful restraints

and monopolies, and for other purposes," approved October 15, 1914, as amended;

H. R. 6579. An act for the relief of James W. Kingon;

H. R. 6684. An act to amend section 2455 of the Revised Statutes of the United States, as amended, relating to isolated tracts of public land;

H. R. 7008. An act to authorize appropriations for the completion of the transfer of the experimental and testing plant of the Air Corps to a permanent site at Wright Field, Dayton, Ohio, and for other purposes;

H. R. 7553. An act for the relief of James Neal;

H. R. 8293. An act to amend an act entitled "An act for the relief of Indians occupying railroad lands in Arizona, New Mexico, or California," approved March 4, 1913;

H. R. 8899. An act granting the consent of Congress to the Highway Department of the State of Alabama to construct, maintain, and operate a free highway bridge across the Tombigbee River at or near Epes, Ala.;

H. R. 8900. An act granting the consent of Congress to the Highway Department of the State of Alabama to construct, maintain, and operate a free highway bridge across the Tombigbee River near Gainesville, on the Gainesville-Eutaw road between Sumter and Green Counties, Ala.;

H. R. 9019. An act granting the consent of Congress to the State Highway Commission of Arkansas to construct, maintain, and operate a highway bridge across the Ouachita River at or near Calion, Ark.;

H. R. 9063. An act to extend the times for commencing and completing the construction of a bridge across the Chattahoochee River at or near Alaga, Ala.;

H. R. 9202. An act to authorize construction at the United States Military Academy, West Point, N. Y.;

H. R. 9204. An act granting the consent of Congress to the Arkansas Highway Commission to construct, maintain, and operate a free highway bridge across the Current River at or near Success, Ark.;

H. R. 9339. An act granting the consent of Congress to the board of county commissioners of Trumbull County, Ohio, to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Warren, Trumbull County, Ohio; and

H. R. 9484. An act granting the consent of Congress to the Highway Department of the State of Alabama to construct, maintain, and operate a free highway bridge across the Tombigbee River at or near Aliceville on the Gainesville-Aliceville road in Pickens County, Ala.

#### SALARY OF MINISTER RESIDENT AND CONSUL GENERAL TO LIBERIA (S. DOC. NO. 69)

The PRESIDING OFFICER (Mr. FESS in the chair) laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

#### To the Congress of the United States:

I transmit herewith a report by the Secretary of State recommending legislation authorizing an increase in the salary of the minister resident and consul general to Liberia from \$5,000 to \$10,000 per annum.

I am in full accord with the reasons advanced by the Secretary of State why the increase should be allowed, and I strongly urge upon the Congress the enactment of legislation authorizing it.

CALVIN COOLIDGE.

THE WHITE HOUSE, March 7, 1928.

#### FLOOD CONTROL

Mr. RANDELL. Mr. President, I ask leave to call the attention of the Senate to the imperative necessity of legislating on flood control. We have now been in session for over three months. This is an extremely important matter to the whole Nation and especially to the people of the Mississippi Valley States.

I do not wish to interfere in the slightest degree with the progress or passage of the Muscle Shoals legislation nor with the measure for the retirement of certain officers and former officers of the Army, nor the bill to meet the obligations of the Government in regard to migratory birds. Those three measures, I understand, are to come up in this order and then we are to consider flood control.

I merely wish to call attention to the fact that this great flood control legislation must be passed by both Houses of Congress and then come back for a proper appropriation of funds. We are only trying to pass an authorization bill and it takes a great deal of time to do so. I hope that Senators, in considering the three measures which have precedence over flood

control, will not take any more time than is absolutely necessary to properly present the claims of their respective measures.

#### CUMBERLAND RIVER BRIDGE, TENNESSEE

Mr. DALE. Mr. President, from the Committee on Commerce I report back favorably, with amendments, the bill (H. R. 9137) granting the consent of Congress to the Highway Department of the State of Tennessee to construct, maintain, and operate a bridge across the Cumberland River on the Lebanon-Hartsville road in Wilson and Trousdale Counties, Tenn., and I submit a report (No. 492) thereon. I call the attention of the junior Senator from Tennessee [Mr. Tyson] to the fact that I am reporting favorably this bill and another bill from the Committee on Commerce relating to the construction of bridges in Tennessee.

Mr. TYSON. Mr. President, I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER (Mr. ODDIE in the chair). Is there objection to the immediate consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Commerce with amendments, on page 1, line 7, after the word "navigation," to strike out the words "on the Lebanon-Hartsville road" and insert in lieu thereof "on the projected State highway between Lebanon and Hartsville and Gallatin near Hunters Point," and on page 2, line 10, after the words "amortize the," to strike out the words "cost of the bridge and its" and insert in lieu thereof "cost of the bonds authorized to be issued under the law of the State of Tennessee in connection with the construction of this and other bridges and their," so as to make the bill read:

*Be it enacted, etc.,* That the consent of Congress is hereby granted to the highway department of the State of Tennessee to construct, maintain, and operate a bridge and approaches thereto across the Cumberland river at a point suitable to the interests of navigation, on the projected State highway between Lebanon and Hartsville and Gallatin near Hunters Point in Wilson and Trousdale Counties, in the State of Tennessee, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bonds authorized to be issued under the law of the State of Tennessee in connection with the construction of this and other bridges and their approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 25 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 3. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "A bill granting the consent of Congress to the highway department of the State of Tennessee to construct, maintain, and operate a bridge across the Cumberland River on the projected State highway between Lebanon and Hartsville and Gallatin near Hunters Point, in Wilson and Trousdale Counties, Tenn."

#### CLINCH RIVER BRIDGE, HANCOCK COUNTY, TENN.

Mr. DALE. I also report favorably without amendment from the Committee on Commerce the bill (H. R. 9293) granting the consent of Congress to the Highway Department of the State of Tennessee to construct, maintain, and operate a bridge across the Clinch River on the Sneedville-Rogersville road in Hancock County, Tenn., and I submit a report (No. 493) thereon.

Mr. TYSON. Mr. President, I ask unanimous consent for the present consideration of the bill.



There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. JONES. Mr. President, I do not desire to delay the passage of the bill, but I wish to ask the Senator from Louisiana [Mr. RANDELL] a question. He has just made a statement from which I think it might be inferred—

Mr. TYSON. Mr. President, has House bill 9293 been passed? The PRESIDING OFFICER. No; it is now before the Senate.

Mr. JONES. I repeat that from the statement which the Senator from Louisiana has just made I think it might be inferred that he thinks there has been undue delay on the part of the Senate committee, at least, in connection with flood control legislation. I think that committee has acted just about as rapidly as it could, and we are prepared to take flood control bill up in the Senate just as soon as it is possible to get the opportunity to do so.

Mr. RANDELL. Mr. President, I agree with the statement just made by the Senator from Washington. I think the Senate Commerce Committee acted on the flood control measure promptly. We perhaps might have pushed it a little more rapidly if it had not been for delays caused by some of our own Members and the thought that, perhaps, the House of Representatives, which has been considering a similar measure for a long time, would first present its bill. I do not criticize anybody, but simply wish to call attention to the very important situation now confronting us and to express the hope that there will be no further delay in the consideration of the proposed legislation; at least, no more than shall be absolutely necessary.

Mr. HARRISON. Mr. President, in connection with the statement just made by the Senator from Louisiana [Mr. RANDELL], will the Senator from Tennessee permit me to inquire of the Senator from Washington [Mr. JONES] when he contemplates bringing up for consideration the flood control bill?

Mr. JONES. The steering committee of the Senate has mapped out a program to take up and dispose of the Muscle Shoals measure, which is now before the Senate; then the volunteer officers' retirement bill, in which the Senator from Tennessee [Mr. TYSON] is interested; then the migratory bird bill. Then I understand that the committee has put the flood control bill next in order for consideration. I am prepared to say that the three bills to which I have referred were placed on the program of the Senate before the flood control bill was reported from the committee, and it was felt that we should not undertake to displace those measures which had already been arranged to be considered, but the flood control bill has been put in order for consideration right after the disposition of the other measures I have named.

Mr. HARRISON. Then we ought to get the flood control bill before the Senate some time next week?

Mr. JONES. I should think we should certainly get it before the Senate next week.

Mr. DILL. I wish to say to my colleague that the flood control bill, of course, was not on the calendar when the arrangement was made for the migratory bird bill to be considered.

Mr. JONES. No.

Mr. DILL. And I think I can safely say to the Senator there is not any chance of getting the flood control bill before the Senate next week if the migratory bird bill shall come in between, and perhaps not for some time.

Mr. JONES. We shall do the very best we can, and shall get the flood control bill before the Senate just as soon as possible.

Mr. DILL. I wish the Senator would move to take up an important bill such as the flood control bill rather than the migratory bird bill.

Mr. JONES. The Senate may be disposed to take up the flood control bill and displace one of the other bills.

Mr. WALSH of Massachusetts. Will the Senator tell us what has become of the independent offices appropriation bill? What is its present status?

Mr. JONES. I have not had charge of that bill but, as I understand, there is a motion to reconsider the vote whereby the conference report was adopted, and that motion is now on the table undisposed of.

Mr. WALSH of Massachusetts. When is that question going to be taken up?

Mr. JONES. I will ask the Senator from Utah [Mr. SMOOT], who is in charge of the subject, to answer the question.

Mr. SMOOT. I will say to the Senator from Massachusetts that the question to which he refers will be taken up at the first moment when it is possible to do so.

Mr. WALSH of Massachusetts. I wish to say to the Senator that there are some items carried in the bill which, if the departments were permitted to make use of, would help some-

what to relieve the unemployment conditions in the country. I, therefore, hope the proposed legislation will not be longer delayed.

Mr. SMOOT. Mr. President, I will assure the Senator that the motion in regard to the conference report will be acted on as soon as possible.

Mr. TYSON. Have I the floor, Mr. President?

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. The Senator from Tennessee has the floor. Does he yield to the Senator from Utah?

Mr. TYSON. If the Senator will wait for just one moment until I may have the pending bridge bill passed, I will then yield to him. It will take but a moment.

Mr. SMOOT. I wish to speak on the bridge bill for about 10 minutes as to the question of unemployment.

Mr. TYSON. I ask unanimous consent to proceed with the consideration of the bridge bill which is now before the Senate.

The PRESIDING OFFICER. The question is, Shall the bill be reported to the Senate?

Mr. SMOOT. I wish to be heard, Mr. President.

The PRESIDING OFFICER. The bill is debatable.

Mr. SMOOT. I am not going to object to the bill, but I want to be heard.

Mr. TYSON. If the Senator from Utah will postpone his remarks for just one moment, I desire to say that the pending bill is not contested in any way.

Mr. SMOOT. I have not any objection to the passage of the bill which is before the Senate, but, I repeat, I wish to be heard at this time.

The PRESIDING OFFICER. The question is, Shall the bill be reported to the Senate?

Mr. SMOOT. Mr. President—

Mr. ROBINSON of Arkansas. The Senator from Alabama [Mr. HEFLIN] is entitled to the floor, and I apprehend he would not want to yield time in which to debate the bill.

Mr. HEFLIN. I have no objection to the Senator from Utah [Mr. SMOOT] taking 10 minutes if he wishes to do so after the pending bill shall have been disposed of in the proper way.

Mr. SMOOT. That would be perfectly satisfactory to me. I repeat, I have not any objection at all to the bill.

The PRESIDING OFFICER. The Chair understands that the Senator from Utah had no objection to the passage of the bill.

Mr. SMOOT. None at all.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

#### UNEMPLOYMENT AND BUSINESS CONDITIONS

Mr. SMOOT. Now, I understand the Senator from Alabama states that I may have about 10 minutes before he begins his speech.

Mr. HEFLIN. I yield to the Senator from Utah.

Mr. WALSH of Massachusetts. Of course the Senator would expect other Senators to have an opportunity to reply to his remarks.

Mr. SMOOT. I have no objection to that whatever.

Mr. HEFLIN. There will be plenty of opportunity during the day for other Senators to speak.

Mr. SMOOT. That is entirely in the hands of the Senator from Alabama.

Mr. HEFLIN. I have no desire to cut off Senators who wish to speak for a few minutes this morning.

Mr. NORRIS. Mr. President, I have no objection to that either; but if we are going into a general debate on another subject, I suggest to the Senator from Alabama that I do not want to see the unfinished business displaced.

Mr. SMOOT. I will say to the Senator from Nebraska that the Senator from Alabama yielded to me.

Mr. NORRIS. That does not make any difference. Any Senator can object to displacing the unfinished business.

Mr. SMOOT. I am not trying to displace the unfinished business. I will speak on the Muscle Shoals resolution.

Mr. NORRIS. The Senator can do that. I thought the Senator was going to discuss another bill.

Mr. SMOOT. Not at all.

Mr. NORRIS. Then the Senator is within his rights, of course.

Mr. SMOOT. Mr. President, the Senator from New York [Mr. WAGNER] in discussing his resolution proposing an investigation of unemployment in the United States criticized the statement of the President in his last message to Congress that—

Wages are at a very high range. Employment is plentiful.

That was last December. While there is always some unemployment and there are always some idle men, estimated at about a million, the number has increased since last December

when the number of involuntary idle was excessive. Conditions existing in August, September, October, and November, 1927, warranted such a statement as the President made in December. Here are the figures gathered from 54 separate industries by the Department of Labor:

	Number of industries	Number on pay roll	Amount of pay roll
1927:			
July.....	10,918	3,017,637	\$70,080,415
August.....	10,918	3,028,729	80,566,040
September.....	10,781	3,030,762	79,212,903
October.....	10,819	3,018,729	80,081,298
November.....	10,819	2,953,560	76,722,522
December.....	10,607	2,922,922	77,975,546

Mr. GERRY. Mr. President, will the Senator yield?

Mr. SMOOT. I should like to put these figures in the RECORD in regular order, and then I will answer any questions.

Mr. GERRY. I simply wish to ask the Senator if he is going to indicate in his remarks what industries are referred to.

Mr. SMOOT. My statement was that the figures covered 54 separate industries, and the number of industries reporting were 10,918 in July, 1927.

Mr. GERRY. But the Senator is not stating what industries they are.

Mr. SMOOT. If the Senator will wait until I get through, I think I will answer his question satisfactorily.

The total number of employed in manufactures was:

	1921	1925
Total establishments.....	196,267	187,390
Wage earners.....	6,946,564	8,887,261
Annual wages.....	\$10,600,000,000	\$10,729,968,000

The year 1926 was unusually prosperous. The number of wage earners increased over 1925, and wages paid increased.

There was a large increase in the number of voluntary unemployed owing to strikes in 1927. It is estimated that there were a million wage earners out on strike at various periods during the year. However, in 54 separate lines of industry there was a normal number of employed and a normal volume of wage earnings.

In some lines of industry, notably the textile industry, there was less employment and several cuts of wages in certain mills, notably in New England. This was due largely to southern competition in addition to foreign competitive imports. Despite the tariff, foreign competition in the American markets has been intense, and already several lines of industry have asked for an increase in import duties.

Sufficient importance to imports affecting general prosperity has not been given in recent years. Total imports have increased, despite the tariff, clearly indicating that even a protective or high tariff does not prevent imports. Imports of merchandise are shown as follows:

1922.....	\$3,112,747,000
1923.....	3,792,066,000
1924.....	3,609,963,000
1925.....	4,226,589,000
1926.....	4,430,888,000
1927.....	4,184,378,000

Mr. WALSH of Massachusetts. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Massachusetts?

Mr. SMOOT. I yield.

Mr. WALSH of Massachusetts. What is the difference between the imports for 1926 and the imports for 1927?

Mr. SMOOT. There was a difference of \$246,510,000.

Mr. WALSH of Massachusetts. In other words, there were \$246,000,000 less imports in 1927 than in 1926.

Mr. SMOOT. Yes.

Mr. WALSH of Massachusetts. The imports in 1927 were that much less than the imports in 1926?

Mr. SMOOT. But 1926 was the year of highest imports in the history of the United States.

Mr. WALSH of Massachusetts. I understand the Senator to agree that, notwithstanding a lessening of imports, unemployment conditions were worse in the latter part of 1927 than in 1926.

Mr. SMOOT. The small decrease in imports amounts to nothing in considering the vast manufacturing industry of the United States; it is a mere bagatelle; but these imports have had a tendency to supplant large quantities of American goods despite the tariff, thus slowing down many American industries.

Mr. HARRISON. Mr. President, may I ask the Senator a question in that connection?

Mr. SMOOT. Yes.

Mr. HARRISON. Is the Senator then defending the large unemployment because of these importations that are coming in?

Mr. SMOOT. No. I am stating the situation as it is, and stating that the unemployed in the United States are not what the Senator from New York said.

Mr. HARRISON. Why does not the Senator, in his statistics, show the exportations from this country at the same time? He has given only the importations.

Mr. SMOOT. That is what interferes with labor in the United States. Our exports have nothing whatever to do with slackening of employment on the part of American labor.

Mr. HARRISON. Does the Senator hold that the balance of trade is not a test of the prosperity of the country, but that it must all be based upon importations?

Mr. SMOOT. If such a thing should happen as a constant balance of trade against this country, of course it would interfere with the industries of the country and the business of the country. The Senator knows that just as well as he knows any other matter connected with public questions.

Mr. COPELAND. Mr. President, will the Senator yield for a question?

Mr. SMOOT. Yes.

Mr. COPELAND. Is the Senator laying the foundation for an increase in the tariff schedules?

Mr. SMOOT. I am not. I am telling the Senate just exactly the conditions as they are to-day.

Mr. SMITH. Mr. President, may I ask the Senator if the exports of the articles of which he says imports have increased are available, so that he can tell the Senate the relative amount of exports of like articles as compared with previous years?

Mr. SMOOT. I could not say offhand, Mr. President.

Mr. SMITH. That is pertinent for the reason that our exports of the articles of which an increased import is indicated would show whether or not our domestic labor was still employed in producing those things that are exported.

Mr. SMOOT. The percentages are about the same as they were before; that is, between 35 and 40 per cent of the imports are on the dutiable list, and the rest of them are on the free list. That is the percentage of the goods imported into this country.

A slow-down of many industries helps to increase industrial unemployment, and the result is immediately felt in the lowering of the consuming power of the wage earners. This has brought about what may be called an oversupply or overproduction existing in many lines; and I might add that mass production has cut a great figure in the amount of production in the United States in special lines. There has been overproduction or underconsumption, which is the other side of the same picture, especially in the textile and silk industries and in the woolen industries. Styles have changed and seriously affected many lines, especially in women's wear.

Unemployment exists in all industrial countries, and overproduction is the main cause. However, involuntary unemployment in 1926 and 1927 was nothing compared with unemployment in 1920 and 1921, when President Harding appointed an employment or unemployment board to investigate and make recommendations.

It can not be gainsaid that general business conditions and industrial employment here have improved steadily since 1920.

Mr. WALSH of Massachusetts. Mr. President—

Mr. SMOOT. Just a moment.

Mr. WALSH of Massachusetts. I merely wish to ask the Senator to explain a statement he made. Did I understand the Senator to say that the present unemployment conditions do not compare with the unemployment conditions in 1920?

Mr. SMOOT. I say that, without a question of doubt.

Mr. WALSH of Massachusetts. Is it not a well-known fact that the peak of war prosperity, the highest point reached in the prosperity following the war, was in the summer of 1920, and that the decline began after that and was most noticeable in the year 1921, and that 1920 was one of the very best and most prosperous years we have had?

Mr. SMOOT. Yes; as far as general business was concerned, but not as far as manufactures were concerned. They are the ones that employ the great mass of American people.

Mr. WALSH of Massachusetts. Is it not a fact that the unemployment at the present time is greatly in excess of that of 1921, and do not these statistics show it?

Mr. SMOOT. No; I will say to the Senator that that is not the case.

Mr. WALSH of Massachusetts. The Senator is misinformed.

Mr. GERRY. Mr. President, does the Senator say that the



conditions in New England were better in 1920 than they are now?

Mr. SMOOT. I have explained why the conditions in the cotton industry and the woolen industry of New England were not what they have been in the past. The Senator knows why.

Mr. GERRY. No; not entirely.

Mr. SMOOT. I can tell the Senator why right now if he wants to know.

Mr. GERRY. The Senator also has not answered my former question. I wonder if he is going to state what industries his tables are made up from. He has referred to a list of industries.

Mr. SMOOT. They are taken from over 10,000 industries, of every name and nature, in every section of the country. There is not a State in the Union but that they are taken from, and they cover the industries from one end of the country to the other.

Mr. GERRY. But the Senator stated that he was making up his tables from 54 industries, and then he did not give the industries. I was interested to know what his tables were made up from.

Mr. SMOOT. The 54 industries that amount to anything in this country cover nearly all the leading classes of industries of the country.

Mr. GERRY. The Senator has not given a list of those industries in his tables. He has just given a list of figures.

Mr. SMOOT. I care not what the Senator says in relation to that. If he wants to get the industries, all he has to do is to ask the Department of Labor and he will get them.

Mr. GERRY. But the Senator is making the statement.

Mr. HARRISON. Mr. President, I understood the Senator to say that the unemployment is not as acute now as it was in 1921.

Mr. SMOOT. The statement I made was that the involuntary unemployment in 1926 and 1927 was nothing compared with the unemployment in 1920 and 1921.

Mr. HARRISON. In 1921 the present Secretary of Labor made a report on conditions in this country. I think it was in July or August. It showed somewhere around three and a half million to five million men out of employment at that time. That report aggrieved certain Republican leaders.

Mr. SMOOT. What year was that?

Mr. HARRISON. In 1921, when the Republican Party had taken control of the Government, and at a time when the Senator's party had had control of the House of Representatives for two years.

Mr. SMOOT. We took control of the Government on March 4, 1921.

Mr. HARRISON. Is it not a fact that at that time, when the report came in, the Senator was aggrieved and said, "Well, the Secretary will not make such a report as that again?"

Mr. SMOOT. No; I never made such a statement.

Mr. HARRISON. Well, the Senator felt that way about it.

Mr. SMOOT. The Senator may undertake to say how I felt. He always attributes to me exactly what he hopes I may say. I want to say to the Senator that the statement was in regard to the involuntary unemployment. During 1920 and 1921 there were no strikes to speak of in this country, and now there are strikes on in different sections of the country.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield just for a brief statement and a question?

Mr. SMOOT. I yield, though I am nearly through.

Mr. ROBINSON of Arkansas. It is in connection with the question asked the Senator from Utah by the Senator from Rhode Island [Mr. GERRY].

The Senator from Utah manifested, I thought, a little petulance because the Senator from Rhode Island called on him to publish a list of the industries which he claims are so prosperous, and in which there is no unemployment. It seems to me that that is the very gist of the value of his statement. A list of the industries would disclose in part, at least, the extent of their operations, and illustrate the number of the employees concerned in them. A mere statement that 54 industries are more prosperous now than they were in another year does not of necessity reflect the general condition of the country, either with respect to unemployment or with respect to prosperity generally.

The Senator has made a statement that I challenge. I do not believe that he can sustain it with the facts, and I think when he reflects he will either modify it or retract it. The Senator said that since 1920 industry generally in the United States had been increasing and growing in prosperity, and that that process is still in progress.

The Washington Post, in an editorial that I saw but have not at hand just now, made the declaration that it is only the giant industries of the country, the large corporations, that

are prospering; and I put in the RECORD here some time ago figures that have not been challenged, showing that about three-fifths of the corporations in the country, as I remember the figures now, are not paying any income tax, which means, of course, that they are not earning material profits. I showed, in the statement to which I now refer, that there have been more bank failures during the years to which the Senator has referred as disclosing a constantly growing prosperity throughout the United States than in any similar period of history since this Government began. It is a matter of common knowledge that the agricultural industry throughout that period has been totally lacking in prosperity; and when we consider the country as a whole and industry as a whole, the statement of the Senator from Utah that prosperity has characterized the industries of this country during the years from 1920 to 1928 and is still growing can not be sustained.

Mr. SMOOT. Mr. President, the Senator has made a speech in my time, but—

Mr. ROBINSON of Arkansas. The Senator is making his speech in the time of the Senator from Alabama [Mr. HEFLIN].

Mr. SMOOT. No; I am not. I am making the speech in my own time; and I will say to the Senator now, in regard to the bank failures in this country, What is the fundamental reason for them?

Mr. ROBINSON of Arkansas. It certainly is not prosperity.

Mr. SMOOT. Wait just a minute.

Mr. ROBINSON of Arkansas. The Senator asks me a question, and then resents it when I answer.

Mr. SMOOT. No; I will answer it.

Mr. ROBINSON of Arkansas. The Senator can answer his own questions; but I respectfully suggest to him that he should ask himself, instead of asking me, if he does not want me to answer.

Mr. HARRISON. Mr. President, will not the Senator let me—

Mr. SMOOT. No; I will not. I know what the object of the Senator is.

Mr. ROBINSON of Arkansas. The Senator does not attribute any ulterior motive to me?

Mr. SMOOT. Oh, well, I know what the object of these interruptions is.

Mr. HARRISON. While the Senator—

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. SMOOT. I want to finish what I have to say; then I will yield to the Senator.

Mr. ROBINSON of Arkansas. Very well.

Mr. HARRISON. The Senator can answer my question in just a word.

Mr. SMOOT. No; I do not yield.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. CARAWAY. Mr. President, will the Senator yield to me for just a minute?

Mr. SMOOT. No; I will not.

Mr. SWANSON. Will not the Senator yield to a mild-mannered man like me?

Mr. CARAWAY. Mr. President—

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. SMOOT. I want to proceed with what I have to say.

Mr. CARAWAY. That is what we want the Senator to do, but we want to ask him a question. We want to help him make it plain.

Mr. SMOOT. Will the Senators please let me go on?

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. SMOOT. In answer to the Senator from Arkansas [Mr. ROBINSON] relative to the bank failures in the United States: Business failures are not generally made in hard times. Failures are generally made in prosperous times, and I want to tell you why.

Mr. CARAWAY. Let me ask the Senator—

Mr. SMOOT. No; I want to go on.

Mr. ROBINSON of Arkansas. Mr. President—

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. SMOOT. I do not yield.

Mr. CARAWAY. I know the Senator does not.

Mr. SMOOT. Perhaps that statement would appear to some as fundamentally wrong, but it is fundamentally right.

Mr. CARAWAY. It sounds mighty wrong to me.

Mr. SMOOT. Will the Senator please let me go on?

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. SMOOT. In prosperous times, money is loaned as it was and has been to an extent to which banks or individuals would never think of making loans in hard times or poor times. Take the number of bank failures in Idaho: The Senators from Idaho know why it was. The banks there loaned on real estate. A real-estate boom was on. Everything was prosperous, and they thought the value of real estate would increase and increase and increase; and it develops now that those loans were made for two and three times what the real estate would sell for. Many were loans on uncultivated lands. No income from such, and interest accumulating on loans made. That happened in other States, and, of course, when the real-estate boom broke the banks had frozen credits, they could not meet the demands that were made upon them and their doors were closed.

Mr. HARRISON. Mr. President—

Mr. SMOOT. No; I do not yield.

Mr. HARRISON. This is a real question.

Mr. SMOOT. I do not yield, I will say to the Senator.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. SMOOT. I can not complete a sentence without somebody attempting to interrupt me.

Mr. NEELY. Mr. President, a point of order.

Mr. SMOOT. Mr. President—

Mr. NEELY. I rise to a point of order.

The PRESIDING OFFICER. The Senator will state the point of order.

Mr. NEELY. The point of order is this: These Democratic Senators are simply ruining the Senator's speech, and I insist that the Sergeant at Arms give him protection.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. SMOOT. This is the statement I made, to which the Senator from Arkansas referred:

However, involuntary unemployment in 1926 and 1927 was nothing compared with unemployment in 1920 and 1921, when President Harding appointed an employment or unemployment board to investigate and make recommendations.

I say, Mr. President, that that statement is absolutely true. Now, I have only a very few words more, and I shall continue with what I have to say.

Business in 1926 was the best since the World War. As a result, overproduction was felt, and with it the reaction always following a surplus not only in agriculture but in manufactures. Nevertheless, there is no country on earth where the wage earners as a whole can obtain so much for what they earn as in the United States.

Mr. BLEASE. Mr. President—

Mr. SMOOT. Wages are highest here, a larger proportion of willing wage earners are employed than in any other country, and opportunities for the industrious persons are the best here in the United States.

Domestic development plus free opportunities for energy, skill, and industry, plus thrift, made the United States what it is. Protection made possible this domestic development and all that has followed.

President Coolidge therefore was right when he said:

Wages are at a very high range. Employment is plentiful.

Mr. HARRISON. Now will the Senator yield, before he takes his seat?

Mr. SMOOT. The Senator can talk in his own time.

Mr. BLEASE. Mr. President, I want to ask the Senator from Utah a question, not for the purpose of disturbing him at all but for information. Are the persons out of employment to-day in this country all American citizens; and if it is a fact that they are American citizens, is that unemployment caused by the admission of cheap foreign labor, which has forced American citizens out of work?

Mr. SMOOT. Mr. President, I do not think the Department of Labor has ever collected any statistics as to whether the employees in the industries of the United States were citizens of the United States or of foreign countries. I have never seen such a report, I will say to the Senator.

Mr. BLEASE. I thank the Senator for the information.

Mr. HARRISON. Mr. President, may I ask the Senator, before he takes his seat, under his statement that failures come with prosperity—

Mr. SMOOT. I did not say they come with prosperity. I said they were never made in hard times, that the foundation was laid when there were good times.

Mr. HARRISON. Have we hard times now or prosperity?

Mr. SMOOT. Generally, prosperity.

Mr. HARRISON. We have not?

Mr. SMOOT. No.

Mr. HARRISON. Why is it that the Senator, with his dominating influence, and his colleagues here, hold up a tax reduction bill from the American people, when it passed the House months ago, and was labeled House Resolution 1?

Mr. SMOOT. As far as I am personally concerned, I want to say this: That I would not want to be chairman of a committee that would report a bill to the Senate which would become a law, and then have to make unanticipated appropriations at the end of 1929, when we would not find in the Treasury sufficient money to pay the debts of our Government.

Mr. HARRISON. But the President has said that the appropriations are within the Budget, and he also says that we ought to have some tax reduction.

Mr. SMOOT. He has also said, providing appropriations would allow it.

Mr. HARRISON. We have passed most of the appropriation bills.

Mr. SMOOT. The Senator is waiting for appropriations for flood control. Senators are waiting here now for Boulder Dam appropriations, we are talking about St. Lawrence canals, we are talking about Columbia Basin, and other projects.

Mr. HARRISON. Then the Senator does not think we are going to get any tax reduction bill?

Mr. SMOOT. I hope we will get a tax reduction bill.

Mr. HARRISON. When will we know?

Mr. SMOOT. We will know just as soon as we find out, after March 15, what the estimated amount of revenues will be.

Mr. GERRY. Does the Senator think the revenues are going to be larger this year?

Mr. SMOOT. No; I do not think they are going to be larger; I think they are going to be less.

Mr. HARRISON. How much less?

Mr. SMOOT. I will say to the Senator that out of 1,200 inquiries that have been made of business organizations throughout the country, asking for a comparison between their incomes in 1927 as compared with 1926, the replies show that they are between 9 and 10 per cent less.

Mr. HARRISON. That is the prosperity the Senator is talking about, then?

Mr. SMOOT. No; that is not prosperity I refer to; these statements, some of them, come from industries that have gone into mass production, selling goods cheaper than they did in 1926, in order to force the merchandise into trade circles so that the mills may be kept running.

Mr. HARRISON. What are the figures of the Senator as to the surplus now in the Treasury for this year?

Mr. SMOOT. Does the Senator mean for 1927?

Mr. HARRISON. Yes.

Mr. SMOOT. I think about \$500,000,000. I am not worried about 1928. This tax bill does not cut any figure with 1928. This tax bill reaches into 1929.

Mr. HARRISON. If the Senator makes the same progress with reference to tax reduction for 1929 that he has for 1928, the people will never get any tax reduction.

Mr. SMOOT. The Senator need not worry; they will get tax reduction just as soon as we know that we have money sufficient to pay the expenses and obligations of the Government, and all above that will be used for tax reduction.

Mr. McKELLAR. Mr. President, will the Senator yield for a question?

Mr. SMOOT. Yes; but I really have not the floor.

Mr. McKELLAR. I did not hear the figures the Senator gave as to unemployment now. I heard him say that unemployment in 1920 and 1921 was largely in excess of that at the present time. Did the Senator give any figures? What are the Senator's figures for the present unemployment?

Mr. SMOOT. This is what I said, "Involuntary employment."

Mr. McKELLAR. I heard that.

Mr. SMOOT. That is what makes—

Mr. McKELLAR. Unless the Senator has the figures as to unemployment, how can he compare the unemployment of to-day with the unemployment of 1920 and 1921?

Mr. SMOOT. Mr. President, the Senator was not here, I suppose, when I began my remarks.

Mr. McKELLAR. I was not, and I wanted to have the Senator's figures.

Mr. SMOOT. I have the figures, for instance, as to the number of industries, and so on.

Mr. McKELLAR. But the Senator does not state the figures as to unemployment. The figures for 1920 and 1921 were stated. They showed somewhere between three and five million. Without having the figures before him for to-day, how can the Senator make the broad statement that the unemployment was greater in 1920 and 1921 than it is in 1928?



Mr. SMOOT. Because the Department of Labor will tell the Senator so at once, if he will go down there and ask them, and their report, if the Senator will get it, will show.

Mr. McKELLAR. Have they the figures? Why did not the Senator present the figures, if they are correct, and if the information is available?

Mr. SMOOT. I am sorry I did not ask the Senator what I should present here this morning.

Mr. McKELLAR. But I think the Senator, in presenting the figures for 1921 and comparing them with the figures, in his own mind, of 1928, ought to be willing to present to the Senate and to the country the figures for both periods.

Mr. SMOOT. I am not going to repeat what I have already said.

Mr. HARRISON. Mr. President, may I say that this is the first time the Senator from Utah has ever failed to produce figures, whether they were correct or not.

Mr. SMOOT. I will say to the Senator that if the Senator did produce figures at any time, I would have to look into them mighty carefully before I could accept them.

Mr. WALSH of Massachusetts. Mr. President, I listened with interest to the speech of the Senator from Utah [Mr. SMOOT], but I have not been able to determine whether or not he admits that there is an unemployment problem in the country at the present time. I do understand him to assert that business conditions are good and that there has been no recession of the alleged business prosperity of recent years.

I call his attention to some information which I have gathered with reference to business conditions in general in the country. Setting aside for the moment the question of unemployment, I quote from a publication known as the United States Business Service, which is published weekly and which on its front page states the favorable and unfavorable factors in the business situation in America.

I shall quote what that weekly report has said about unfavorable business factors since December 17, 1927. On that date it stated:

Average daily steel-ingot output was about 16 per cent under 1926. Cotton-cloth sales in November were only 60.3 per cent of production.

In the edition of December 31, 1927, it asserted:

Early December car loadings at lowest level since the year 1923.

Eleven months' automobile output 21 per cent below the same period in 1926.

Number of new incorporations is averaging fully 57 per cent under 1926.

There was no statement on Christmas Day. In the issue of January 7, 1928, this publication asserted:

Imports in 1927 estimated to have declined 5 per cent from 1926 total.

Car loadings for last 12 months were 2.6 per cent under the 1926 level.

Brokers' loans increased more than \$930,000,000 during 1927.

Mr. SMOOT. Mr. President, does the Senator hold that brokers' loans cause unemployment here in the United States?

Mr. WALSH of Massachusetts. I most certainly assert that it is an unfavorable business factor to have such a tremendous increase in loans to brokers who speculate in stocks resulting in taking money from industries and other legitimate activities. This paper considers it an unfavorable business factor.

Mr. SMOOT. Does the Senator object to the Federal Reserve Board stopping those loans from being pyramided?

Mr. WALSH of Massachusetts. I certainly do not. I think their action is commendable. I am stating facts about unfavorable business conditions. Later I shall consider unemployment.

On January 14, 1928, this publication asserted:

Failures during 1927 increased nearly 6 per cent over 1926 level.

December pig-iron output fell 12.7 per cent under the same month a year ago.

On January 21, 1928:

Freight-car loadings averaged about 8 per cent under a year ago.

Building permits have temporarily fallen off 35 per cent under 1927.

On January 28, 1928:

United States industrial employment in December was the lowest since August, 1924.

Cotton-goods production reported 20 per cent lower in the past 60 days.

Labor disturbances have increased slightly, due to recent wage cuts.

February 4, 1928:

Car loadings running below 1, 2, and 3 years ago.

Brokers' loans 38 per cent over a year ago indicate weak market structure.

Cotton spindle output of December was 8.2 per cent below December, 1926.

Unemployment throughout the country is reported increasing.

Mark you, this is a special report made by this business service exclusively to the business men of the country.

In the February 11, 1928, number:

Car loading running 13,000 cars below normal conditions in 1926.

Radio industry is experiencing more than normal seasonal decline.

In the publication of February 25, 1928:

Unemployment situation temporarily acute in eastern centers.

Active cotton spindles in January were 2.8 per cent under January, 1927.

January pig iron declined 7.7 per cent under a year ago.

Imports in January totaled \$338,000,000, or 5.2 per cent under January, 1927.

Bituminous-coal output running 25 per cent under a year ago.

Report of March 3, 1928:

Factory employment in January at lowest level since April, 1922.

Weakness evidenced in prices of copper, zinc, lead, and tin.

New business in the shoe industry is currently reported lower.

These statements are from one of the most reliable agencies giving information to business men. How any man can say in the face of this report that favorable business conditions of the country have not receded is beyond my understanding.

Mr. GERRY. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. I am glad to yield to the Senator from Rhode Island.

Mr. GERRY. I was wondering if the Senator from Massachusetts could tell us if he has a list of the 54 industries that the Senator quoted the figures from, but could not name, as being so prosperous.

Mr. WALSH of Massachusetts. I will say to the Senator that the 54 industries which report to the Department of Labor are the largest and most important, and only those industries that voluntarily see fit to make a report. The great bulk of the industries, the smaller ones which are likely to be more affected during business depression, do not report, and therefore we have not the information which those industries would furnish.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. I am always glad to yield to the Senator from Utah.

Mr. SMOOT. There were 54 industries, but there were 10,819—

Mr. WALSH of Massachusetts. Yes; 54 varieties of industries.

Mr. SMOOT. Yes; 54 classes of business, but there were 10,819 industries reporting.

Mr. WALSH of Massachusetts. I so understand.

I call attention now to an article published in the March Survey Graphic. The subject of the article is "Is unemployment here?" The article quotes from employment conditions in various localities throughout the country. I ask the Senate to listen to the quotations which I am going to give, which show that the present business decline is not confined to mere textile industries about which we hear so much, and which has been admitted because it is of such startling proportions. The present unemployment situation and manufacturing business decline is widespread from one end of the country to the other. Let us begin with Portland, Oreg. I quote from a report furnished by the Welfare Society of that city:

In Portland, Oreg., "there is a decided increase in unemployment. At present there are probably 38,000 unemployed people here, which is an increase of over 100 per cent in our usual unemployed population."

In Philadelphia "there is considerably more unemployment this year than last, and the number of applications coming to us (Family Society of Philadelphia) is exceptionally heavy. \* \* \* Last November we received 307 applications, which is a larger number than in any November since 1918, the November of the influenza epidemic. In December, 1927, we received 340 applications, but there have been two Decembers since 1918 when we have received more applications than this. \* \* \* It is exceedingly difficult to obtain jobs, and there is no doubt that, except for the winter of 1921-22, this is the worst period through which we have gone in 10 years."

"The unemployment situation in Milwaukee this year has been the worst since 1922," the general secretary of the Family Welfare Association reports, and adds: "The situation might have been worse had the winter been more serious."

In New York, the State labor department reports that in December employment touched its lowest point for the year 1927, and that in January approximately 20,000 wage earners were laid off. This pulls the index of employment "lower than it has been at any time since the trough of the depression in the summer of 1921."

In Buffalo, N. Y., where the heavier end of the unemployment load is carried by the city department of social welfare, the Charity Organization Society reports: "They are experiencing a worse situation to-day than in any year since 1921. For instance, in the week of January 6-12, 26 per cent of the applicants gave unemployment as the main cause of their difficulty. In the week of January 13-19, 20 per cent; and in the week of the 20th to the 27th, 32 per cent \* \* \*. In the year July 1, 1926, to June 30, 1927, the department of social welfare spent about \$310,050 in family-welfare relief. They have increased their fund this year, and have at their disposal \$436,525. This increase has been sought on the basis of the pressure from an unemployment situation."

Chicago has caught the backwash both from the Ford lay-off and the soft-coal strike. The city's widely heralded building and engineering program has brought an influx of men looking for jobs. At the same time, steel and iron, meat-packing, and the clothing trades are "slowed up" and "freight tonnage has declined, throwing trainmen and dispatchers out of work."

Philadelphia and the New England communities suffer from the general depression in textiles. Fall River reports a 10 per cent wage cut in addition to a three-day work week.

In St. Louis "the increase in unemployment is probably due to a more complete shutdown in almost all types of factories employing both skilled and unskilled workers \* \* \*. The industries in St. Louis are diversified, but we have noted that several of the large chemical companies producing patent medicines and drugs are not running full force, manufacturing plants making steel railroad cars are almost shut down, canning factories are employing only a portion of their usual force, and the clothing and shoe manufacturing companies, which represent the largest single industry in the city, are producing less than last year."

In Buffalo "the industrial situation as a whole has been bad this winter. The policy of retrenchment began as far back as July and has affected the whole economic situation. The building trades, steel and metal trades, the automobile and the auto-accessory manufacturers seem to have been our principal sufferers \* \* \*. At the same time our local savings bank deposits have increased quite remarkably \* \* \*. Personally, I feel this is because of the quite general feeling that jobs are so scarce that those who are employed are putting away the maximum amount in savings accounts in order to meet the possible break in employment."

Portland, Oreg., reports that "all our local industries are involved, inasmuch as the principal industry which we have, lumber, is only at 50 per cent of its capacity, and you can see what the effect would be upon all the other local industries." A similar situation is reported from the United Charities of Dallas, Tex.: "The opinion of our staff is that there is more unemployment this winter than last winter \* \* \*. There seems to be a general slowing down in all industries. The situation is not due to the closing down of any particular industry."

Three basic causes of widespread unemployment are set forth in this statement from Salt Lake City, Utah: "A great many of the mines in districts surrounding Salt Lake lay off men regularly each winter. These men pour into the city hoping to find work here \* \* \*. In addition to the general business depression and the fact that we have so much seasonal work here three of our largest concerns have laid off men, principally through the installation of improved machinery."

I shall not take the time of the Senate further to read from this article, but from Salt Lake City and various other parts of the country similar reports are received.

Mr. WATSON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. Fess in the chair). Does the Senator from Massachusetts yield to the Senator from Indiana?

Mr. WALSH of Massachusetts. I am glad to yield.

Mr. WATSON. Let us assume that all the Senator has said about the conditions in the country is true, that there is much unemployment, that the commercial, industrial, and financial condition of the Republic is even worse than he is depicting to us here. What advantage is it to us as legislators to set forth that condition unless we attempt to take two additional steps: First, to find out the reason for it, and, second, to find the remedy for it?

Mr. WALSH of Massachusetts. I certainly do not dispute the Senator. I not only agree with him, but in February, 1927, I asked that the Senate do that very thing, and called the attention of the country to the situation which was then ripening and developing, but nothing was done then and it is apparent nothing will be done now. The statistics that will come from the Department of Labor will not be particularly helpful in view

of the fact that the first communication coming from the Department of Labor with reference to the situation to-day is a report to the press that unemployment conditions have improved. The reports of the Department of Labor have invariably been colored with optimistic assertions which were clearly disputed by the statistics covering the same periods of time. I quote from a report entitled "Industrial and general employment prospects" released January 2, 1928. The very front page, before you read the report inside, states:

Contrary to precedent established in former presidential-election years, when the business world stood by awaiting results before charting their programs, the opposite is true at this time. A careful perusal of this bulletin will disclose the important information that industry and business will mark new high levels in 1928. The pessimists, "doubting Thomases," and the iconoclasts will be obliged to revise their opinions with respect to the Nation's industrial future. All signs point to the biggest year in the history of the automotive industry. Iron and steel point to marked increases over 1927. Indications are that building construction will compare favorably with the previous year. The position of agriculture shows improvement. Railroads will, undoubtedly, enjoy normal business. Owing to the increased introduction of labor-saving machinery, considerable labor will be displaced, but the volume of business is expected to register a new high level.

FRANCIS I. JONES,  
Director General.

I will not dispute with the Senator the necessity of something constructive being done; but we must first admit, not deny, the facts. One of the first acts in order to solve such a problem is to do the necessary work in time of depression which the Government will have to do in the comparatively near future. This will somewhat relieve the present condition of unemployment.

Mr. WATSON. Does the Senator think any legislation we could enact here would improve the situation?

Mr. WALSH of Massachusetts. I certainly do.

Mr. WATSON. What would it be?

Mr. WALSH of Massachusetts. Any legislation which will increase and advance the national building program, which calls for an annual expenditure of \$100,000,000; any legislation which will tend to bring about the reconditioning and improvement of the Army camps and establishments; the improvement of Navy equipment and vessels; national highways and reclamation projects, rather than to wait for a period when the country may be prosperous. All of the money spent now, instead of next year, along those lines will be helpful and beneficial. Furthermore, there is the important matter of flood control. The expenditure of that money, and the immediate expenditure of it, would be of considerable help. In fact, every activity we undertake and every dollar spent and put to work at once will be of some relief to the country.

Mr. WATSON. The Senator is not advocating any change in the general policy of the country in order to improve its general condition?

Mr. CARAWAY. In November we contemplate making such a change.

Mr. WALSH of Massachusetts. I will say to the Senator that I intend now to discuss some of the factors that I believe are responsible for present unemployment conditions, and that can be remedied by the Government. One of the many factors has been the system of inflating capital and consolidating industry throughout the country, which has driven the independent manufacturer out of business and has tended to centralize the manufacturing business in the hands of a limited number of monopolies or trusts. I will say to the Senator frankly that I consider financial gambling with industry a serious and a grave economic danger to the country, and I regret to say that I believe it is encouraged, supported and, because of passive acquiescence, defended by the administration of which the Senator is one of the influential leaders.

Mr. WATSON. I thank the Senator. May I ask if the Senator proposes to remedy that situation by legislation?

Mr. WALSH of Massachusetts. Yes.

Mr. WATSON. Why and how?

Mr. WALSH of Massachusetts. First of all by making a legislative study of it. To what extent does the removal of competition, the consolidation of business and of industry, and the inflation of capital without check, increase or retard the prosperity and general welfare of the American people? To what extent is it being done illegally? We had one aspect of these questions here recently, one in which the Senator was very much interested. I refer to our consideration of the question of whether the consolidating of the public-utility power systems was resulting in extortion from the American people. Have the public no interest in checking any possible inflation of capital invested in an industry which produces that from which all our people



obtain light, heat, and power, and must purchase in a non-competitive market? Are the public to be compelled to buy the very necessities of life at any price that may be levied, regardless of the extent to which the distributors have federated their capital improperly and unjustly?

Mr. WATSON. Is not that the direct result of an economic evolution that has been going on?

Mr. WALSH of Massachusetts. Yes, sir; in part, but no unconscionable federation of capital, no unchecked expansion of capital, no improper consolidation of watered-stock corporations can ever be defended by any government that claims to be interested in protecting the unorganized people who must buy the necessities of life from noncompetitive industries.

Therefore, I assert it is a most important governmental problem. I agree that there is a natural evolution toward consolidation in business, but I contend that when that natural evolution in business reaches the point where competition is removed and there is no Government interference to check the issue and expansion of watered stock, and the public is thereby made powerless, it is a solemn obligation—none more solemn—for the Government to step in and prevent groups using their corporate charters, the laws, the authority, and the seal of the Government to exploit the masses of the people by charging excessive prices. Mr. President, I contend extortion is wrong when committed by the powerful, as well as by the poor and weak. Rich combines can commit conspiracy against the public as well as weak and crooked combines that are unable to hide behind the powerful influence of vast sums of money and large financial support. The trouble with some of the political philosophy of the day is that it holds that power and vast wealth is entitled to immunity for extortion of the worker and the consumer.

Mr. WATSON. Will the Senator let me remark that if there be such illegal combinations we have laws on the statute books to dissolve them.

Mr. WALSH of Massachusetts. I am well aware of that, sir, and I am well aware of how little the Republican administration has done to enforce those laws. I am also well aware what the record shows as to the number of cases that have been turned over to the Department of Justice and how few of them have been prosecuted. The Republican Party can not flirt with big business; it can not get its campaign contributions; it can not get big business to name its nominees and at the same time have its administration of the Government concerned with restraining and limiting the natural excesses, greed, and selfishness of its political partners, the trusts. The Senator knows just as well as I that men organize and unite primarily upon the theory that they can make more money by consolidating their finances and their business than by pursuing an independent course.

When they are left alone to proceed with a policy of greed and selfishness, and the Government is inactive or silently approves, then the people are powerless and are to be pitied in the plight in which they sooner or later will find themselves.

Mr. WATSON. Is it not a fact, I will ask the Senator from Massachusetts, that consolidations come about largely because of the force of competition, the necessity of men getting together in order to increase production? Is it not a fact that the present situation is largely due to overproduction and that overproduction—

Mr. WALSH of Massachusetts. I will say—

Mr. WATSON. Let me ask the question, please.

Mr. WALSH of Massachusetts. I shall be glad to have the Senator do so.

Mr. WATSON. And that overproduction results partly from vast capital, well employed by able men, utilizing the best machinery of which the world knows, constantly stimulating inventive genius to make more improvements, and making also the most efficient labor the world ever knew? Is not that true?

Mr. WALSH of Massachusetts. Yes, sir; to a degree that is true; but will not the Senator also agree that the very thing the Senator is describing puts an obligation upon the Government to be active, to be alert, to see that that condition shall not result in an injustice and grave injury to the rights of the worker, the investor, and the consuming public?

Mr. WATSON. I will. I certainly have no doubt in the world about that.

Mr. WALSH of Massachusetts. Turning over the personnel of the regulatory commissions to those businesses that are to be regulated will not do it; neither can it be done by a Department of Justice in sympathy with these combines.

Mr. BRUCE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Maryland?

Mr. WALSH of Massachusetts. Let me say in answer to the question of the Senator from Indiana [Mr. WATSON]

that I do not hesitate to assert that I think the reason for the growth of monopolies and trusts is the protective tariff system, because those who have protection under that system are unable to get the full benefits of protective tariffs if competition can still prevail in the domestic market. Therefore, in order to obtain the full benefit of the manufacturer's tariff upon woolen goods, upon aluminum wares, upon all other tariff-protected industries, there is an incentive to those industries to come together, remove competition, and secure the full and exact benefit, the last dollar of protection in the prices they can charge to the American people. The Senator must recognize that that is one of the abuses of the protective tariff system. Perhaps it is not a sufficient reason to destroy the system if we strictly regulate monopolies, but it is sufficient, I repeat, for a government more concerned about the welfare of others than the prosperity of the big business interests to be on the alert to check and restrain the excesses and abuses of noncompetitive big business.

Mr. WATSON. Do I understand the Senator—

Mr. BRUCE. Mr. President—

Mr. WATSON. I wish to ask one more question, I will say to my friend from Maryland, and then I shall desist. Does the Senator from Massachusetts believe that a policy of the revenue tariff would improve conditions?

Mr. WALSH of Massachusetts. I will say to the Senator from Indiana that I personally believe in a reasonable and honest protective tariff system with rates levied upon the basis of the difference in the cost of production here and abroad. My only quarrel with the Senator from Indiana about the protective tariff is that it should not be levied as a matter of favor; it should not be a matter of privilege; that because big, powerful interests in this country can show that imports are flowing into the United States and goods are selling at a less price than they are able to produce them for, they should be given that degree of tariff protection which they ask. I never believed a judge or a jurymen should assess the exact amount of damages that a plaintiff claims in a court of justice, but that they ought to hear the defendant. So, in the matter of tariff protection, I say that the consumer and the worker, as well as the petitioner for tariff protection, have a right to be heard and considered.

My complaint about the tariff policy which the Senator from Indiana so ably represents on this floor is that it has been influenced without regard to the rights of the many by political consideration, by campaign contributions, by the powerful propaganda and press support which the tariff barons and big tariff interests have been able to give, and have succeeded in giving, to his political party.

Mr. BRUCE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Maryland?

Mr. WALSH of Massachusetts. I yield.

Mr. BRUCE. May I suggest to the Senator from Massachusetts [Mr. WALSH], now that he is replying to the question of the Senator from Indiana [Mr. WATSON], how relief in one respect might be given by Congress at the present time to the distressing conditions which are now prevalent. That way would be to restore to the Treasury of the United States the half billion dollars or so that it was deriving at the time of the passage of the Volstead Act from excise taxation on spirituous and fermented liquors. [Laughter.]

Mr. WALSH of Massachusetts. With that suggestion of my friend from Maryland I am in general accord, for I am opposed to prohibition by law.

Mr. BRUCE. To say nothing of the large revenues also that the States themselves were deriving at that time from license taxes on the sale of spirituous and fermented liquors.

Mr. WATSON. Does the Senator from Maryland think that would help solve the problem of unemployment?

Mr. BRUCE. I think that it would unquestionably help to solve it. It would help to relieve business, of course, from the enormous burden of taxation that it now carries. It would stimulate industrial activity and, consequently, of course, would afford more employment to labor.

Mr. CARAWAY. May I ask the Senator from Maryland a question?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Arkansas?

Mr. WALSH of Massachusetts. I yield to the Senator from Arkansas.

Mr. CARAWAY. It is a curious idea to me, if I may use sufficient of the time of the Senator from Massachusetts to make the suggestion to the able Senator from Maryland, that getting drunk will make industry for anybody but the policeman and the jailer. [Laughter.] That has been my observation.

Mr. BRUCE. Mr. President, will the Senator allow me to interrupt him?

Mr. WALSH of Massachusetts. I yield.

Mr. CARAWAY. Go ahead.

Mr. BRUCE. From year to year for a considerable number of years now the Moderation League of New York, of which such illustrious men as Elihu Root and Bishop Fiske and others are directors, has brought out a report in relation to arrests for drunkenness in some 500 cities and towns of the country, and I commend to the attention of the Senator from Arkansas the fact that those reports show that every year for a considerable number of years past the police statistics for those cities and towns evidence the fact that arrests for drunkenness have been steadily increasing. I might say further in that connection that the very last report of the Moderation League, that for the year 1927, shows that this mounting tendency of arrests for drunkenness in those cities and towns is continuing. In 1920 there were less than 5,000 arrests for drunkenness in the city of Washington, but a few days ago the report of Major Hesse showed that, while in recent years the population of Washington has increased only some 40 per cent, arrests for drunkenness have increased some 168 per cent. So I must say it must be by some very tortuous, unsatisfactory process of reasoning that the Senator from Arkansas can find that the proper modification of national prohibition and the restoration of that great volume of revenue to the Treasury of the United States would result in increased drunkenness in this country.

Mr. CARAWAY. Mr. President, will the Senator from Massachusetts pardon me a second more?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Arkansas?

Mr. WALSH of Massachusetts. Certainly.

Mr. CARAWAY. If everyone is getting all the liquor he wants and more than he used to get, what betterment in industrial conditions would the open saloon give us? Anybody can read police reports who wants to, but I have seen more drunken men in the distance from the Capitol to the White House in the old days before the Volstead Act in one trip than I have seen in the Capital City since that time. I do not care what the police reports may be. It seems the chief of police has been getting a good deal of liquor himself, if reports emanating from the other end of the Capitol may be believed. However, it is well known that if everyone was getting all the liquor he wanted there would not be so much kicking about it.

Mr. BRUCE. Mr. President, will the Senator from Massachusetts yield further to me?

Mr. WALSH of Massachusetts. I yield.

Mr. BRUCE. They do not get it to begin with for as reasonable a price; they do not get it as conveniently; they do not get it of as good quality. Above all, they do not get it lawfully—a consideration certainly of supreme importance. When I say "they" I am not speaking of myself, because I am one of the most temperate of men, as the Senator knows.

Mr. CARAWAY. The Senator is except when he is arguing about letting other people get drunk. He stays sober himself.

Mr. BRUCE. I am not speaking of rhetorical intolerance; I am speaking of bibulous intolerance.

Mr. CARAWAY. The Senator wants to stay sober himself, but he wants everybody else to get drunk. [Laughter.]

Mr. BRUCE. Not at all. I know that the Senator from Arkansas is one of the best of my friends, and I know that it would be absolutely impossible to get him into that condition, and that I must put up with his society, however sober; I would have no choice, even if I did not much prefer him just as he is.

Mr. WALSH of Massachusetts. I wish to remind the Senator from Indiana that there are a good many things the Government can do to assist in relieving unemployment. One is to interest itself in the further improvement of our waterways, which will require in a very few years the expenditure of vast sums of money in order to deepen them so as to make navigation easier, and thereby reduce the cost of transportation.

I might say in this connection, there are two other things the Government might do to help relieve present business conditions. One is to enter upon a study into the extent of our foreign loans, about which I expect later in this session to have something to say—the great volume of money that is going out of production and industry here and being invested in foreign countries by interests in this country that are producing in foreign countries, with the aid of foreign interests, cheaper goods to compete with American products, and thus to take the foreign market away from the home producing manufacturers. That is a field of inquiry that is a very extensive and a very important one. Another thing that Congress and the Government can do is to study and solve the one problem that is

affecting the agricultural interests of this country more than any other, and the one problem, in my opinion, that will lead to its solution. That is the reduction in the cost of transportation of agricultural products.

The high cost, the enormous expense, of transporting agricultural products is the chief evil in the agricultural situation, and is responsible for the depleted condition of that great industry. What is more important for the Government to study, and find a solution for, than the question of bringing to the consumers from the farm the agricultural products produced in the far West and the South at the cheapest possible price? Preferential rates, if necessary, might be desirable for the transportation of agricultural products. The excessive cost of transportation is destroying agriculture.

Mr. President, there is not a question here that does not relate directly or indirectly to the great question of prosperity and to the preservation for all, not the few, of lasting, not temporary, prosperity; and if the Senator from Indiana is really interested in finding some constructive way of helping the nonemployment situation, he can turn to almost any measure that is pending before Congress and find out its effect either for or against the improvement of business conditions.

Mr. COPELAND rose.

Mr. WALSH of Massachusetts. I will yield to the Senator from New York; but I am going to close in just a moment by referring to some statistics on my desk, with reference to the extent of unemployment in our industries about which the Senator from Utah has made some observations. Does the Senator from New York wish me to yield to him now?

Mr. COPELAND. Mr. President, I should like to say just a word, if the Senator will yield.

To me, the pathetic thing about the debate is that Senators on the other side have seemed to attempt to explain away the idea that there is unemployment. They do not admit that there is such a thing as unemployment. We are all the time being assured that we have prosperity.

I have here an item an inch long from this morning's Washington Herald speaking about conditions in my city:

#### ONE \$16-A-WEEK POSITION DRAWS 500 MEN AND BOYS

NEW YORK, March 6.—More than 500 men and boys answered a want ad here to-day by a company seeking an errand boy at \$16 a week salary.

The horde of unemployed crashed through the walls of the company's office and almost wrecked it in a mad scramble to get the job.

Five hundred men applied for such a job; and that is the condition in my city.

Mr. WALSH of Massachusetts. Does the Senator know how many people applied for the temporary job here of counting the ballots in the Vare contested-election case? There were about 2,000 applications, I was informed, right here at the Capitol.

Mr. COPELAND. Think of it! Now, to me that is the pathetic phase of the thing. We talk about the economics of the problem. We are facing a practical situation. These people are hungry. They are going without food. They are being dispossessed, put into the street. The commissioner of charities in New York told me the other night that never in the last several years have there been so many people applying to the lodging house. How can we resist it? We must find a way to solve this problem and make it possible for these persons to be employed.

Mr. WALSH of Massachusetts. I claim that unemployment is a fundamental economic problem.

Mr. HEFLIN. Mr. President, referring to the number of applicants for positions in connection with the Vare case, the people who were going to count the ballots, there were only about 50 of those places to give out, were there not?

Mr. WALSH of Massachusetts. The Senator is correct.

Mr. SWANSON. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. I yield to the Senator from Virginia.

Mr. SWANSON. The Senator ought not to be too harsh with our Republican friends. It seems to me he has been a little harsh in criticizing them. They are reduced to this position:

They won the election of 1920 by promising prosperity. They won the election of 1924 by a pretense that prosperity existed. Now they are confronted with the fact that they can not promise prosperity, because they have had eight years of power, and if they could not fulfill their promises in that time they know the people will not believe them. Consequently, they are reduced to the position of claiming that there is prosperity, and they will contend for it.

But the most remarkable statement I ever heard was the statement of the Senator from Utah [Mr. Smoot]. In his prepared speech, which seems to have been written and prepared with care—

Mr. WALSH of Massachusetts. The Senator does not make any implication in that statement?



Mr. SWANSON. He said there was prosperity, great and immense, all over the country; that there had been no recession. The greater part of his speech that was not prepared was in regard to tax reduction; and the excuse he gave for not reducing taxes now was that an examination of about 1,200 reports by corporations and individuals showed a reduction of 9 or 10 per cent in prosperity last year over the previous year. In other words, the reports collected by this Government showed a recession in business, in prosperity, in trade, in commerce, of 9 per cent; and he gives that as a reason why he will not have tax reduction until the other reports are examined to see to what extent this recession in trade has gone.

I should like the Senator from Massachusetts, who has been very kind to the Senator from Utah in many respects, to explain this inconsistency on his part. He has refused to explain it himself. He has abandoned the floor. He will not be here to decide which is correct. One is bound to be wrong. You can not have the prosperity the Senator claims and then have the reports of 1,200 corporations examined with a recession of 9 per cent. They are inconsistent; and as the Senator from Utah refuses to explain, I should like to know if the Senator from Massachusetts, who is very able and adroit, can determine for us which of the propositions is true. Is there a recession in business, or not?

Mr. WALSH of Massachusetts. I will say to the very able and very much beloved Senator from Virginia—for he is beloved by everyone here—that I have long ago given up any hope or idea of reconciling the statements of the Senator from Utah. If there is any man in this Chamber who can make emphatic assertions which I have not been able to find facts to support, it is the Senator from Utah. But we must recognize that he is a very strong partisan and therefore naturally prone to color his views.

Mr. SWANSON. Has he abandoned any effort to-day to explain these inconsistencies?

Mr. WALSH of Massachusetts. The Senator is correct. He of course can not explain the inconsistencies; and of course the truth is, whether he admits it or not, that business is depressed, that those connected with this administration know it, and that they are hesitating about enacting a tax-reduction bill because they are fearful that the reports that will come from the business men of this country for the year 1927 will show such a depression of business that tax reduction will not be justified.

Mr. SWANSON. And, as I understand, the Senator's zeal, and a little indication of indignation, is that he feels that it is wrong for a party to win a third election under faked and pretended prosperity that does not exist. The Senator feels indignant that they should present any such proposition and try to force the people of America to believe it?

Mr. WALSH of Massachusetts. I do not think they are going to fool the country a third time. But they have powerful agencies of propaganda that are mighty effective.

Mr. SWANSON. But the Senator does not think they are justified in making an effort to do it by any such proposition?

Mr. WALSH of Massachusetts. No; but they have done it in the past on like propositions. I will say to the Senator that it may be perfectly proper for us to discuss this question here from the standpoint of its political benefit or disadvantage; but, Mr. President, I prefer to think of this unemployment question apart from politics. It is altogether too serious even to associate it with the word "politics." I have hesitated during this debate and during this session to give any figures or facts or statements in reference to conditions in my own part of the country. I did not want to appear here to be parading the depression in business, the suffering, the unemployment, and the want that exist through the part of the country which I have the honor in part to represent. It is a sad story; I want action. I want to arouse the country to demand that their officials give the problem attention and get out of their prosperity dream.

I arose in this Chamber in February, 1927, without any thought of a national election, and asked that a committee of this body sit during the past summer to study this economic question, to study the ever-increasing development of unemployment in this country. I asked that we give up some of our time, some of the nine months of recess for which we were paid, to serve our country in a study of this question. What happened? What became of that resolution? Mr. President, it was protested against from one end of the country to the other.

Because I had the hardihood to make the assertion that there might be some question about the existence of prosperity, a chorus of protests in and out of this Chamber met the suggestion; and we also heard the statement that is always made, that we were not fit to do it, anyway; it ought to be done by

a body of experts. We are not fit to do anything, according to those who are disposed to check, if possible, the free, independent opinion and action of the Members of this body. We who represent the unemployed, however, have one power left—the power of protest.

The reason why I prize my seat in this body, the reason why I am prouder of the United States Senate than many other institutions of our country, is because there is still left here—here!—an opportunity for a courageous man to speak his mind, to say what he thinks, to discuss public questions untrammelled and unchecked. The party whip and rules that control majorities and minorities may exist elsewhere, but so long as this body is unshackled any free, courageous Senator can call the attention of the country to the excesses, to the abuses, to the maladministration in any department of our Government; and I welcome the opportunity to-day, once more to call attention to the condition of unemployment and the threatened extinction of the independent manufacturer and the merchant class.

But let us not fool ourselves. The millions of families of working people who are the victims of unemployment conditions are, I fear, not very near or very close to the heartbeats of those who are directing the policies of this country to-day. You know and I know where the forces and influences directing our economic policies emanate, and we are not deceived and can not be deceived. I realize the difficulties that anybody encounters who asks the leaders, who refute the suggestion that the country is not prosperous, to stop and think about the millions of families of honest, patriotic Americans who are suffering in the midst of winter from lack of employment.

Mr. President, I will read a paragraph from a speech which I delivered a year ago in reference to conditions that then existed, and which have become worse since then:

The pay-roll statistics from the July number of the United States Labor Review show that employment in the manufacturing industries fell off 18.7 per cent from 1920 to 1925. This report reveals also that the pay roll of the industries show a shrinkage of 32.3 per cent from 1920 to 1925. The comparison of the 1920 pay-roll index for the month of May with the 1926 pay roll from the same month shows a six-year shrinkage of more than 40 per cent.

The figures showing an increase of 5 per cent more in the past year in unemployment and pay rolls, quoted Monday when I addressed the Senate on this question, I will not again repeat.

Mere pay-roll shrinkages and increased unemployment! These are problems that we are told we ought not to get excited about. The spokesman for the administration, in his prepared speech on this question, giving the position of the administration, has with a wave of the hand—and finally leaving the Chamber, I suppose, in disgust—assured us that the unemployment problem is not so serious after all, and that business is good, and that there is no reason for the Senator from New York, or for any other Senator, to challenge the statements he has made.

The Senator from South Carolina [Mr. BLEASE] makes the timely suggestion that the Senator from Utah ought to ask the party from whom he has gathered the statistics and the information produced, why he was fooled by him and what the purpose was in fooling him.

It is the same old policy, "Let well enough alone. Do not stir up trouble. Let big business take care of the situation. We must not offend them." If they want an investigation of unemployment they will have it, but if the workers want it they will want in vain, unless it receives the approval of the financial barons of the country, who have a grip upon the dominant party that must be broken. The predominant political issue is whether this Government is to continue to be subsidized, directed, controlled in all its policies by a few powerful financial and industrial monopolists, or whether this Government is to be restored to the recognition and defense of the rights of the average man and the average woman, with some thought by public servants and party leaders about legislation that is beneficial to them, as well as to the big special interests of this country.

Here is the issue of the hour, and I believe my party can impress itself upon the country as a great instrument of benefit to mankind if it unites, comes together, and casts aside some of the differences—differences which the Republican Party also has; if we will bring those differences out into the open and unite upon a great constructive political and economic program of destroying the grip of predatory wealth upon our institutions, and restoring the Government to the average, common man and woman, whom the Democratic Party is especially missioned to represent and protect.

Let me say, in this connection, how well Republicans can suppress their differences! What is the reason for it? Two things:

Money and power. They have the power, and if some rebellious Senator or leader attempts to get the party in trouble by discussing some subject upon which there may be division, he is told that all the power and all the force and all the influence of organized Government employees and political patronage will soon get his political scalp. Power! Power is a mighty suppresser of political differences—a great prop in keeping the divergent elements together.

And money! Money means organization, efficient organization, and efficient organization can suppress and does suppress differences. The Democrats have not money, and have not power, but we have independence, and we have the spirit of democracy. Men in our party are free; leaders can assert openly their differences, as we have just witnessed upon this floor when the very able and distinguished Senators from Maryland and Arkansas expressed and debated entirely different views.

The opposition may have money, they may have political power, but sooner or later the American people will distinguish between a party that voices the real spirit of democracy in its leadership and in its rank and file, in comparison with a party that is muzzled, controlled, and suppressed by the dominance of power and of money.

Mr. President, I have talked longer than I intended to, but I hope I have made some contribution to the discussion of this subject, and I do hope, aside from all the political angles of it, that we will try to do something constructive.

Let us be frank. No one Senator can do it, but a Cabinet officer and an administrative leader can. The Republican governor of my State is trying to do it. He called his forces together yesterday and to his chiefs of departments and bureaus said, in substance: "There is an unemployment problem here, and I want to assume the leadership in solving that problem. What can you suggest, Mr. Department Chief? Where can you improve working conditions in your department? What can you suggest in the way of new appropriations or new undertakings?"

The solution can not come from one or two out of 96 Senators; it must come from those who are in power, to formulate and direct the executive functions of this Government. I do not look to see any solution of the problem that is worth while unless we are able to awaken the administrative officers to realize that the boasted prosperity has vanished. Let the Cabinet get together and talk over the question. Have you heard anything of any Cabinet meeting at which unemployment has been discussed?

Mr. President, I yield the floor.

Mr. HARRISON. Mr. President, I am sorry the Senator from Utah [Mr. Smoot] is temporarily out of the Chamber. He announced a remarkable doctrine this morning, that "failures are not made in hard times but are made in prosperous times." That is the new doctrine of the Republican Party, as enunciated by its leader in this Chamber: "Failures are not made in hard times but are made in prosperous times."

The unemployment in the country, he says, is due to the importations into the United States, and when we questioned the Senator from Utah with reference to exportations, either of manufactured products, agricultural goods, or whatnot, he did not have at hand the statistics, basing his whole argument upon the proposition that unemployment comes from importations and that exportations do not enter into the question.

I submit, Mr. President, that the real key to the index of the prosperity of the country is found in the balance of trade between our exportations and our importations. Importations may increase, but if exportations increase in greater amount the prosperity of the whole is reflected.

Of course, that prosperity may be felt more in certain industries and in certain lines than in others, and there may be a spotted prosperity in the country due to certain artificial tonics that may be applied to certain industries through governmental legislation.

"Importations have caused the unemployment," the Senator says. I submit, Mr. President, that of the importations the figures as to which the Senator produced this morning, showing the importations as being large—and they have constantly changed—four items alone being imported into the United States constitute practically a third of all the importations entering this country. The importations of rubber amounted in 1926 to \$500,000,000, the importations of sugar amounted in 1926 to approximately \$300,000,000, the importations of raw silks were approximately \$400,000,000 in 1926, and the importations of coffees approached \$300,000,000 in 1926—and these figures approximate the figures for the other years—and the importations of those four articles together form practically one-third of all the importations into the United States.

I might enumerate the large importations of copper, of tin, and of tin ore. But how can these importations affect the industrial prosperity of the country by making unemployment greater?

Mr. President, there is unrest in this country, there is uncertainty as to what is going to happen along certain lines, and there is unemployment, as has been graphically portrayed by the distinguished Senators from New York and Massachusetts. The Senator from Utah undertakes to defend the present condition, picturing a roseate setting to the American people, and a prosperous condition, but he does not back up his assertion by stating any facts as to the number of unemployed in this country.

I shall not forget that in 1921, after the Republican Party had been in control of this body and the other House for nearly three years, after the Republican President had taken oath and had his Secretary of Commerce and his Secretary of Labor working under him, the industrial conditions became so acute that, I believe, it was Secretary Hoover who brought pressure to bear to call a great conference here to deal with the question of unemployment. That conference laid down certain policies which should be pursued by the governmental agencies. They stated that all public works that had stopped should start up immediately, that the Government should make adequate appropriations to do that work and to give employment to the millions of unemployed in this country. They appealed to the public that the let-up in building operations should cease, and that building should go ahead, so that this condition might be remedied.

The Secretary of Labor in his report at that time stated that there were between 3,500,000 and 5,000,000 men out of employment in the United States. The situation was appalling. The Republican Party had been in control of the Congress then for nearly three years. Certainly they can not charge in reason that the Democratic Party had any influence in bringing about that condition. Yet the Senator from Utah [Mr. Smoot], as the spokesman of the administration, trying to minimize present conditions and apply sun baths to the American people, held out some hope that the situation is not as bad as it is reputed to be, but gave no statistics as to the number of unemployed in the country. With as much courage as the Senator from Utah possesses, I dare say he would not venture to go into the State of Rhode Island or the State of Massachusetts, or many of the other States in the country, and make his prosperity argument. There is no telling what they would do to him. They know the situation, because they see it, they hear it, they feel it.

I submit, Mr. President, that if all the prosperity was here that the Senator from Utah talks about, the Congress and the administration are derelict in doing their duty by the taxpayers of the country. From the Senator's own lips, as chairman of the powerful Finance Committee, fell the statement that there is a surplus now coming in, from the revenues drawn from the taxpayers of the country, of approximately \$500,000,000. He said that prosperity would probably continue but that they do not know yet what the Congress is going to do with reference to passing appropriation bills, and in order to defend his indefensible position and that of his party colleagues he cites the flood control bill, which has not yet been taken up for consideration by either branch of the Congress. The Senator knows, the administration knows, and everybody knows that the highest amount that will probably be appropriated immediately for flood relief is something like \$30,000,000 or \$40,000,000, because that is the amount which it is said might be used, and not more than that, during this year.

Yet, with \$500,000,000 piled up in the Treasury as a surplus, exacted from the stooped and tired and burdened taxpayers of America, he and his colleagues refused to listen to our appeal to take up for consideration and report out of the Committee on Finance the tax-reduction bill. Ah, the many promises that have been made by those in high authority during the last year with reference to tax reduction! How they have broken those promises. How they have deliberately deceived the American taxpayer with respect to this question. Last year when the Senator from North Carolina [Mr. Simmons] employed every parliamentary maneuver and all his fine ability to pass through the Congress a measure so that the people might receive immediate tax relief, those of us over on this side of the aisle who were cooperating with him and fighting for that relief were stopped by those on the other side of the Chamber. The same course was pursued in the House of Representatives.

But those in high authority, from the President down, following the adjournment of the last session of Congress, promised upon the reconvening of the Congress immediate tax relief. The papers were daily carrying those news items. We came here in December, and over in the other branch of Congress



the leaders of the Republican Party got together and said, "Let us pass first the bill to give tax reduction to the American people." They said, "There is nearly \$500,000,000 of surplus which has been drawn from the taxpayers of the country. It is indefensible for us not to give immediate relief. President Coolidge in his message has said that it is wrong, that it is unjust to lay a greater tax upon the people than is necessary for the economic administration of the Government." I think he almost went so far as to say that "it was a species of larceny to do it." Yet these gentlemen in the other branch of Congress said, "We must pass this bill," and so they got unanimous consent, at the request of the chairman of the Ways and Means Committee, to label that "House bill No. 1." They were jealous that some little bill might be reported out first which might be given "No. 1," which might have "No. 1" attached to its masthead, and so Mr. GREEN asked unanimous consent, and it was procured, to label it "House bill No. 1."

They passed it even before Christmas. Many of them went back home and no doubt told their constituents that they, acting as Santa Claus, were going to give to the American people some Christmas greetings in a form of tax reduction. The bill came over here. Those of us on this side of the Chamber who are members of the Finance Committee at once moved for the immediate consideration of the bill. We took a vote on it. Every Republican Senator on the Finance Committee voted against the consideration of the bill which only a few weeks before was hailed by the Republican leadership in the House as House bill No. 1. From that day to this, no matter what have been our efforts to force a consideration of that measure by the Finance Committee, being in the minority, we have been blocked. This morning the Senator from Utah, chairman of the Finance Committee, said that he does not know when tax reduction will be considered by this body.

Mr. FLETCHER. Mr. President—

The PRESIDING OFFICER (Mr. REED of Pennsylvania in the chair). Does the Senator from Mississippi yield to the Senator from Florida?

Mr. HARRISON. I yield.

Mr. FLETCHER. It may be that the purpose is to keep up the high taxes and the enormous expenditures under this economical administration. It appears that the ordinary Government expenditures during the four years under the Taft administration averaged \$7.14 per capita, while during the four years of Wilson's administration from 1913 to 1916, before the United States entered the World War, the expenditures averaged \$7.10 per capita. During the past four years of the Coolidge administration the expenditures have averaged \$30.29 per capita.

Mr. HARRISON. That tells the story. Ah, if we could broadcast it from every radio station and through the press of the country from now until election day, the American people would wake up and the nefarious policies advocated by the Republicans in Congress and administered by the present administration, increasing the per capita tax upon the American people from \$7 during the Democratic administration to more than \$30 now, would be startling news to many people in the country.

The Senator from Utah this morning, in talking about importations, did not tell that behind all he was saying was a desire to speak for no reduction of some tariff rates upon some of the things that are trust controlled in this country, such as aluminum, and that he was pleading for an increased tariff not only on aluminum but other industries for which the Republican Party has long acted as a wet nurse. I doubt not that that speech is the keynote speech, the bugle that is sounding the call in this early morn of the approaching campaign for others of his political faith to wake up, join the ranks, and begin to make the big beneficiaries of the Republican Party believe that we are going to give them more privileges, greater license, that they might exact from an already oppressed American people greater tribute. It might be the beginning of a plan to obtain large contributions from those who are always seeking greater special privileges at the hands of the Government.

I wish he had told in his speech this morning the large cost that these tariff rates which he wishes to increase have placed upon the people of the country. It has been variously estimated that \$4,000,000,000 would be about the amount in the increased cost alone through this governmental policy of the present administration. As the campaign period approaches we will perhaps hear more of just such speeches as that, but the American people will soon wake up to the situation and then they will drive from power those who have attempted to de-

bauch the electorate, who have corrupted offices in so many instances which they have filled, and who have in a hundred different ways added to the already great burdens of the American taxpayer.

#### CONSUMPTION OF AGRICULTURAL PRODUCTS REPRESENTED BY IMPORTS

Mr. WALSH of Massachusetts. Mr. President, will the Senator from Alabama yield?

Mr. HEFLIN. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. Through the courtesy of the Senator from Alabama, I ask unanimous consent to have printed in the RECORD a statement prepared at my request by the United States Tariff Commission. During the debate on the resolution favoring tariff revision at this session of the Congress a great deal was said about imports of agricultural products. Indeed several requests for additional protection due to imports of agricultural products have been presented to the Congress and the United States Tariff Commission. For information purposes this table, which was prepared by the United States Tariff Commission, will be valuable. It shows the imports of important agricultural products during the last five years, the total domestic consumption and the per cent of consumption as represented by imports. I ask, in order that the Senate and the country may have this information, that the table, together with the accompanying letters from the Tariff Commission, may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

UNITED STATES TARIFF COMMISSION,  
Washington, February 25, 1928.

Hon. DAVID I. WALSH,  
Senate Office Building, Washington, D. C.

MY DEAR SENATOR WALSH: Since the receipt of your letter of January 16 we have been engaged upon the preparation of the five tables transmitted herewith which show for agricultural commodities of significance domestic production, net imports, domestic exports, domestic consumption, and the ratio of imports to consumption for the years 1922, 1923, 1924, 1925, and 1926.

The amount of detail necessary in the preparation of these tables has delayed their completion longer than we had anticipated, but it is believed that they are correct. Some of the figures had to be traced to original sources, and it was necessary to convert some of them into comparable units for use in the several columns of the tables.

We trust that the tables may be of some assistance for your purposes.

Very truly yours,

JOHN F. BETHUNE, Secretary.

Memorandum concerning the relation between production and imports for certain commodities shown in the accompanying tables

#### CHEESE

The domestic production of cheese is largely of the Cheddar type (ordinary cream cheese). Imports are of the Cheddar type from Canada, Swiss cheese from Switzerland, and relatively small quantities of numerous other special cheeses from Europe.

#### WHEAT

Imports of wheat are largely of the northern spring variety, which competes directly with northern spring wheat produced in the United States. The imports are, therefore, not strictly comparable with the domestic production of all types of wheat. Of our total consumption of hard spring wheat, the imports represented 5.19 per cent in 1922, 5.08 per cent in 1923, 3.15 per cent in 1924, 0.64 per cent in 1925, and 0.28 per cent in 1926.

#### POTATOES

Imports consist largely of seed potatoes from Canada. Early varieties are imported in smaller amounts from Bermuda, Cuba, and the West Indies.

#### CATTLE

Live cattle imported into the United States are chiefly stockers and feeders (thin animals) from Canada and Mexico. Cattle of this type constitute the bulk of the surplus production of those countries and compete directly with domestic cattle of the same type.

#### BUTTER

Imports of butter are chiefly from New Zealand, Denmark, and Canada. The Danish butter competes more directly in New York with the high-grade, sweet-cream butter from Minnesota and Wisconsin than with other grades. Although some high-grade butter comes from New Zealand and Canada, a part of these imports is of lower grades of butter.

## ONIONS

Two types of onions are imported. The Spanish onions compete directly with the Spanish onions produced in the Western and Mountain States; Egyptian onions are imported in the spring and compete with the strong type onions held in storage and the Texas and southern California Bermudas, which are marketed during the period of the Egyptian importations.

## CORN

Imports of corn are chiefly from Argentina, and compete with American corn, principally upon the Atlantic and Pacific seaboard. The imported corn is flint corn, a hard corn, while the bulk of the domestic production is of the dent varieties considered softer than the flint corn.

## UNITED STATES TARIFF COMMISSION,

Washington, March 5, 1928.

Hon. DAVID I. WALSH,

Senate Office Building, Washington, D. C.

My DEAR SENATOR WALSH: Supplementing the letter of February 25, transmitting table of statistics of certain agricultural commodities, we take pleasure in sending to you herewith a summary table of the information contained in the last two columns of each of the five tables previously sent you.

It is hoped that this additional compilation may be of assistance to you.

Very truly yours,

JOHN F. BETHUNE, Secretary.

## IMPORTANT IMPORTED AGRICULTURAL PRODUCTS

Domestic consumption and per cent of consumption represented by imports

[Source: From detailed tables compiled from Foreign Commerce and Navigation, from official statistics of the Department of Agriculture, and from data supplied by staff experts of the Tariff Commission]  
(In thousands; i. e., 000 omitted)

Products	Unit of quantity	1922		1923		1924		1925		1926	
		Domestic consumption	Per cent of consumption represented by imports	Domestic consumption	Per cent of consumption represented by imports	Domestic consumption	Per cent of consumption represented by imports	Domestic consumption	Per cent of consumption represented by imports	Domestic consumption	Per cent of consumption represented by imports
Sugar	Pound	12,511,196	57.38	11,060,154	60.49	12,379,630	58.06	13,434,477	52.47	13,825,817	58.26
Wool	do	562,653	53.21	660,913	59.50	552,417	49.48	599,790	51.30	618,233	49.76
Tobacco	do	864,874	6.93	1,079,057	5.68	736,409	8.21	962,827	6.61	906,720	7.76
Flaxseed	Bushel	25,286	58.98	41,302	58.78	48,136	34.46	38,934	42.41	41,775	53.42
Cheese	Pound	411,545	11.32	447,470	13.66	469,453	12.74	496,944	12.60	499,384	15.19
Wheat	Bushel	723,892	1.46	717,780	1.24	714,501	.97	601,651	.22	709,910	.06
Walnuts	Pound	120,989	55.37	111,633	55.21	115,390	61	152,626	52.83	110,236	71.15
Potatoes	Bushel	452,273	.39	414,139	.18	418,147	.10	323,365	.69	359,974	1.57
Clover seed	Pound	135,843	16.96	97,655	26.25	97,337	42.64	101,169	35.12	85,495	46.12
Alfalfa seed	do	47,177	17.39	53,538	18.56	63,569	14.84	61,118	4.01	61,209	8.09
Cattle	Number	21,658	1.09	22,818	.60	23,960	.59	24,918	.69	24,710	.86
Rice	Pound	758,243	2.59	614,854	4.41	774,789	3.43	913,526	6.02	1,130,892	9.67
Hay	Ton	111,832	.004	106,717	.13	112,751	.26	98,612	.19	96,702	.37
Frozen eggs	Pound	61,821	34.73	63,541	10.53	64,679	17.98	100,682	22.28	110,035	16.83
Dried eggs	do	33,542	100	27,709	100	34,223	100	42,054	100	40,641	100
Creamery butter	do	1,149,724	.62	1,271,486	1.64	1,319,036	1.46	1,363,044	.50	1,453,010	.46
Hogs	Number	68,031	.003	79,756	.001	79,577	.04	68,323	.11	66,826	.12
Onions	Bushel	19,452	7.72	18,759	10.38	19,783	6.68	21,298	11.23	21,749	8
Peanuts	Pound	634,080	2.24	710,296	9.48	823,005	9.85	797,146	12.82	679,017	8.30
Lemons	Box	4,817	31.12	8,360	20.36	5,531	11.46	8,545	18.39	7,903	12.64
Corn	Bushel	2,742,524	.004	3,011,572	.007	2,294,954	.17	2,905,322	.04	2,623,023	.04
Apples	do	197,944	.09	194,041	.04	159,525	.10	162,431	.05	230,327	.02
Oats	do	1,187,091	.11	1,302,973	.02	1,504,931	.42	1,458,285	.01	1,242,322	.01
Oranges	Box	20,289	.20	21,513	.19	15,699	.10	31,757	.05	31,632	.04
Beef	Pound	6,674,000	.48	6,839,000	.35	7,030,000	.30	7,108,000	.24	7,446,000	.55
Veal	do	797,000	.63	864,000	.23	929,000	.43	1,004,000	.30	964,000	.41
Mutton and lamb	do	543,000	2.02	576,000	1.04	589,000	.34	596,000	.34	643,000	.31
Pork	do	7,412,000	.01	8,474,000	.01	8,526,000	.08	7,619,000	.10	7,693,000	.16
Olives	Gallon	8,974	71.58	9,835	58.21	8,433	87.55	7,564	74.22	8,184	71.77

## KANAWHA RIVER BRIDGE

Mr. DALE. Mr. President, whether we have unemployment or not we still must continue to build bridges, especially in West Virginia. I call the attention of the Senator from West Virginia to the bill that I ask unanimous consent to report favorably without amendment from the Committee on Commerce. It is the bill (H. R. 9843) to extend the times for commencing and completing the construction of a bridge across the Kanawha River in or near Henderson, W. Va., to a point opposite thereto in or near Point Pleasant, W. Va., and I submit a report (No. 494) thereon.

Mr. NEELY. I ask unanimous consent for the immediate consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

## GARDEN PROFITS AND POULTRY SHIPMENTS IN SOUTH CAROLINA

Mr. BLEASE. Mr. President, I have two short articles from the Columbia (S. C.) State of Monday, March 5, 1928, with reference to garden profits and poultry shipments in that State, which I ask may be printed in the RECORD.

The PRESIDING OFFICER (Mr. Fess in the chair). Without objection, it is so ordered.

The articles are as follows:

PICKENS GARDEN YIELDS PROFITS—MRS. A. P. RAINES OF MAYNARD SECTION CLEARS \$2,676.40 FROM VEGETABLES LAST YEAR

(Special to The State)

PICKENS, March 4.—A clear profit on her garden of \$2,676.40 is the remarkable record of Mrs. A. P. Raines, of the Maynard section of this county, winner of first place in the best garden contest conducted by the home demonstration department of Winthrop College. The major portion of the profits came from the sale of potato, tomato, and cabbage plants, though the sale of such fresh vegetables as spinach, turnips, and

cabbage on near-by markets contributed handsomely. The Greenville market, especially, provided a steady outlet for the products.

Mrs. Raines is a home demonstration club member and became interested in her project through attending the meetings of her club. "I never knew what spinach was until four years ago, when the home demonstration agent talked about it at the meeting, and now it is my best seller," declares Mrs. Raines. The active cooperation of her husband is a partial explanation of the results that have been secured.

The garden profits of this Pickens county farm woman have showed interesting growth during the past four years. In 1924 she cleared \$100; in 1925, \$682; in 1926, \$1,436; and last year, \$2,676.40.

## ANDERSON SHIPS TWO POULTRY CASES

(Special to The State)

ANDERSON, March 4.—Two carloads of poultry, containing about 35,000 pounds, were shipped to Philadelphia from Anderson. One of the cars was brought here from Belton Wednesday after 10,000 pounds of fowls had been secured there.

Total receipts for the poultry included in the shipment were given as approximately \$8,500, of which about \$4,500 was paid out at Anderson.

## THE COLOR LINE

Mr. BLEASE. Mr. President, I have here an article from the Baltimore Afro-American, which I ask may be read by the clerk.

The PRESIDING OFFICER. The clerk will read, as requested.

The Chief Clerk read as follows:

[From the Afro-American, Baltimore, Md., March 3, 1928]

COLOR LINE IS DRAWN HERE AT NATION DINNER—BALTIMORE COMMITTEE PROMISES DIFFICULTIES AT SOUTHERN HOTEL—POOR FOOD OTHER PLACES—MRS. SPAETH—WASHINGTON COMMITTEE WIRES AFRO, DINNER THERE WELCOMES ALL

The Baltimore Nation dinner scheduled for the Southern Hotel March 9 has drawn the color line.



Invitations were sent out three weeks ago to readers of the New York Nation, inviting them to attend the dinner in honor of Oswald Jamison Villard, for 10 years its editor.

Similar dinners are to be staged next week also in Washington, Rochester, Philadelphia, New York, and Boston.

#### COLOR-LINE DIFFICULTIES

In Baltimore Wednesday Mrs. R. A. Spaeth, 307 Edgevale Road, Roland Park, secretary of the local committee, sent out the following notice:

"I have been asked to tell you that the Anniversary Nation Dinner in honor of Mr. Villard will be held at the Southern Hotel.

"It is unnecessary for me to point out the difficulties that might arise if you attempted to attend the dinner. Please believe that the policy of the Southern Hotel is not that of the Nation and that we regret very much being unable to take advantage of your kind willingness to cooperate with us in this celebration."

#### NO DECENT DINNER

Asked why the committee selected the Southern Hotel, knowing its "small-town" policy, Mrs. Spaeth said, "It was the only place in town where a decent dinner could be gotten for the price of \$2.50."

#### WELCOME IN DISTRICT OF COLUMBIA

Miss Dorothy Detzer, head of the Washington Nation committee, wired the Afro Wednesday, "Colored readers of the Nation will be welcome here." The dinner is to be staged at the Washington Hotel, March 1, with Senator Norris presiding. The Speakers include Zona Gale, Heywood Brown, and Mr. Villard. Tickets are \$3.

Mr. BLEASE. Mr. President, I suggest the absence of a quorum.

Mr. CARAWAY. Mr. President—

Mr. McKELLAR. Mr. President, will the Senator withhold that suggestion for just a moment?

Mr. BLEASE. Very well.

Mr. CARAWAY. What is the dinner they have been keeping these negroes from attending or letting them attend—which is it?

Mr. BLEASE. I would rather that would come out a little bit later. However, I want to say that some men do not mind associating at the table with certain other people, but that the people of my State might object to voting for that kind of a man for President of the United States.

Mr. CARAWAY. Does the negro object to the company? Is that what the Senator complains of? [Laughter.]

Mr. BLEASE. No. The negroes of South Carolina might object to some of the company, I am satisfied.

The PRESIDING OFFICER. Does the Senator from South Carolina withhold his point of no quorum?

Mr. BLEASE. Yes, Mr. President; for the present.

#### RADIO CONTROL

Mr. McKELLAR. Mr. President, during the last few days I have received a great many protests against the confirmation of the members of the Radio Commission whose names have been sent to the Senate. I have also received a great many protests as to the methods which are now being used by the Radio Commission in the matter of radio control. One of those letters, from Mr. R. M. Henry, of Memphis, Tenn., is pertinent enough to be placed in the RECORD.

Mr. CURTIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Kansas?

Mr. McKELLAR. I shall do so in just a moment.

Mr. CURTIS. I wish to say I hope the Senator from Tennessee will not place letters in the RECORD that ought to be considered in executive session.

Mr. McKELLAR. The letters have nothing to do with the executive matter; they deal entirely with the radio situation, though it does refer to the Caldwell nomination, incidentally.

Mr. CURTIS. I raised the question because I heard the Senator refer to objections to the confirmation of members of the commission.

Mr. McKELLAR. I not only desire that the letters to which I have just referred may be printed in the RECORD, but I want the reply to that letter, written by the chairman of the Radio Commission, my friend Judge E. O. Sykes, also to be inserted in the RECORD. I desire also to have inserted in the RECORD excerpts from public interviews given by Mr. Caldwell, one of these nominees, for a place on the commission. I also wish to add a statement made by the Senator from Washington [Mr. DILL] on this same subject and let them all be included in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

THE AMERICAN INSURANCE CO.,  
Memphis, Tenn., February 23, 1928.

Hon. K. D. McKELLAR,

United States Senator, Washington, D. C.

Re: Federal Radio Commission.

DEAR MR. McKELLAR: As one of the invisible radio fans, I am writing you in reference to a controversy between the W. K. Henderson broadcasting station of Shreveport, La., and the Federal Radio Commission.

I have listened to a number of speeches against the station and for the station. It is a well-known fact that warm weather creates static, and naturally a station located as far south as Shreveport could easily be drowned out by the powerful stations of the North and East.

The air, which is the only thing left that is free in this country, to my mind has been gobbled up, as usual, by the northern and eastern broadcasting stations.

The Federal Radio Commission, if you will obtain the data from them, will disclose that about 99.4 per cent of the power of the radio stations has been granted to New York, Pennsylvania, Illinois, and other eastern sections. Very few stations in the South have sufficient power to carry the message of the broadcasting station beyond the State in which the broadcasting station is located.

At the present time, no matter where you turn the dial of your receiving set, you hear the announcer recommend some brand of tooth paste, automobile tires, automobiles, ginger ale, storage batteries, and other merchandise too numerous to mention. The leading power stations of the country are hooked up in a chain. No matter how powerful your receiving set is, you can not tune them out.

I happened to have at the time I purchased a receiving set a Radiola 30, which at the time I purchased same, about a year ago, was considered about the last word in receiving sets. Every night the hook-up of the chain stations is so great that this receiving set has to listen to the same music everywhere.

I mention broadcasting of sales, or the selling of merchandise over the radio, from the fact that one or two independent stations, especially Shenandoah, Iowa, have been criticized severely in attempting to sell seeds and nursery stock, or quote prices over the radio, when the northern and eastern stations are doing nothing in the world but promote large enterprises.

The radio act should be so amended that, of course, a competent Radio Commission could supervise and control the wave lengths and power of the station, but that Radio Commission should be so constituted, Senator, that all sections of the country, of each State, should have their pro rata share of the power and wave lengths that are available.

The North and East have hogged the air, and if you will tune in your radio you will find it out. If a controversy arises between the commission and an independent station, the Federal court of the district in which the broadcasting station is located should be open to the owners of the broadcasting station for the court to adjudicate or decide the rights the station has. A broadcasting station should not have to go to the expense of sending their witnesses to the district court in Washington. There is a man up now for confirmation on the Radio Commission by the name of Caldwell. It has been charged, and not denied, that Caldwell is drawing a salary of \$7,000 from a magazine that is controlled by the national hook-up of broadcasting stations. If that is true, he is not the right man to be on the commission and should not be confirmed.

I know that you will take the time and trouble to investigate the controversy between the W. K. Henderson broadcasting station and the Radio Commission, and I know that if once you feel that the South is being discriminated against and that Mr. Henderson has been unfairly dealt with that you will lend your efforts to correcting the wrong.

Since you have been our Senator this is the first letter I have ever addressed you on any subject, although you being my personal friend and attorney for my company for years, and having an opportunity of knowing you intimately before you were elected Senator, I know the type of square shooter you are. It is very largely a deal bordering on the famous "director-stockholder deal" that you ran into in Memphis and licked to a frazzle.

If you will take the time and trouble to look into this controversy and give it a little consideration, I will appreciate same.

With sincere wishes and best personal regards, I am

Yours very truly,

R. M. HENRY.

FEDERAL RADIO COMMISSION,  
Washington, D. C., February 23, 1928.

Hon. KENNETH McKELLAR,

United States Senate, Washington, D. C.

DEAR SENATOR McKELLAR: Replying to your favor of the 25th instant, with attached letter from Mr. R. M. Henry, under the Federal radio act, the country is divided into five zones.

The first zone has a total watt power of approximately 200,000; the second zone approximately 102,000; the third zone, which is the southern zone, approximately 50,000; the fourth zone approximately 165,000; and the fifth zone approximately 65,000. There are a number of high-powered stations in the New York vicinity, which make a total wattage of the first zone so great. The same situation exists around Chicago, which makes that of the fourth zone so great.

With reference, more particularly to the third, or southern zone, the Federal Radio Commission during its existence has increased the power of a great many stations in this zone, and has a number of applications for increases in power, which I have recommended, and which I think will be granted just as soon as a majority of the commission has been confirmed by the Senate.

Our people in the South, because of lack of large cities, financial backing, etc., have not been in a position to ask for very great increases in power. For instance, the most powerful stations we have at the present time have only 5,000 watts. These stations are satisfied with that power. I have personally taken the matter up with a number of good stations in the South, and recommended to them that they request increases in power in order to serve our part of the country, and have gotten some responses to this appeal.

There is no discrimination against our section by the Federal Radio Commission. On the contrary, I find the other members quite sympathetic with our needs, and believe that my recommendations, or practically all of them, for increases in power in this zone will be granted.

I return Mr. Henry's letter.

With kindest personal regards.

Sincerely yours,

E. O. SYKES, *Acting Chairman.*

Radio stations, first zone: If you have followed newspaper reports of the recent discussions in the committees of Congress charged with radio legislation, you have undoubtedly detected both (1) a very evident dissatisfaction with the present distribution of radio stations, powers, and frequencies throughout the various States; and (2) a demand for these to be more "equitably" divided as between States.

In view of the fact that at present a very few States and metropolitan communities have a high concentration of radio, while nearly 40 other States are far below the average of the country, it is apparent that any redistribution in accordance with the State rights views of Congress must mean withdrawal of many wave lengths from centers and States now having an excessive proportion, as well as reduction of powers in such communities also.

Since such redistribution will be chiefly at the expense of the congested first zone area (which now has by far the greatest power, and also certain excessive channel concentrations), I feel it my duty to call this impending situation to your attention at this time in order that you may duly regard it in your future plans for operation.

O. H. CALDWELL, *Commissioner.*

Mr. McKELLAR. This letter appeared in the Boston Post of February 28. This Caldwell letter admits our contentions as to the present allocation, and at the same time it is very clearly intended as propaganda to arouse opposition to the pending provision on the part of the New England States and people.

In fact, this article predicated upon the false propaganda that the power in all zones must be reduced to that of the third-zone States:

This bill, if passed, will result in the wholesale slaughter of New England stations, wave lengths, and power and force many off the air.

#### THE RADIO SITUATION

By C. C. DILL, United States Senator from Washington

Although more than a year has elapsed since the radio law was signed by the President, the Radio Commission has entirely failed to solve the problems of radio. Most of all, it has refused to try to improve conditions by such methods as experimental allocations of wave lengths, by trying increases and decreases of power for stations over temporary periods, and by enforcing its own regulations strictly as an earnest, active commission should have done.

Congress may be blamed for not having furnished needed funds during the first nine months, but since December the commission has had all the money it has asked Congress to appropriate and yet it has done less since Congress convened, so far as improving radio reception is concerned, than during any equal length of time since its first meeting. In fact, it has done almost nothing except hold hearings and postpone new allocations of wave lengths.

Mr. Lafount, commissioner for the fifth zone, who was appointed last, has really been trying to improve conditions in the far West. He has acted as speedily as he could learn enough about conditions to act intelligently. In the other zones, the commissioners have postponed ac-

tion from week to week and month to month. Stations in the first and fourth zones have most of the wave lengths and power, but the equitable radio service clause is entirely disregarded.

Why? Have they plans so revolutionary that, if adopted, Congress would refuse to confirm their appointment? Are they awaiting confirmation in order to give the Radio Corporation and its affiliated corporation stations even more desirable channels and even more power? Their failure to act as well as their failure to outline any definite policy has caused the Senate Interstate Commerce Committee to hesitate to recommend confirmation. The committee is unwilling to trust them, but has hoped they would act to improve conditions.

Stations in the two largest cities, New York and Chicago, have allocations to use more than one-third of the wave lengths, and many of these are on cleared channels. This means that other sections can not secure new stations needed in other parts of the country.

I repeat what I said on the floor of the Senate some days ago, namely, either they lack ability to meet the situation or they are afraid to act. The fact that March 15 is near should cause them to act speedily to have the situation as nearly cleared up as possible if the work is to be turned over to the Department of Commerce then.

Personally, I hope the commission will be continued another year, and if the present commissioners should refuse to do their duty under the law, that the Senate will refuse to confirm them and the President will select new men who will have the courage, the ability, and the independence to solve the numerous and increasingly difficult problems of radio.

Mr. McKELLAR. Mr. President, if the Senator from Alabama [Mr. HEFLIN] will permit me to occupy the floor for a moment longer, I wish to take this occasion to say that, in my judgment, the radio commissioners have wholly misunderstood the purposes for which they were appointed. Instead of looking after the radio situation in the interest of all the people and of all the users of radio and all those who are interested in it and the various sections of the country, I fear they have simply regarded it to be their duty solely and alone to see how much of the air they could put in the control of the great radio corporations of the country. I wish at this time to make my protest against the Radio Commission taking such position as to their duties.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Tennessee yield to me for just a moment in connection with his statement?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Arkansas?

Mr. McKELLAR. I shall be happy to do so.

Mr. ROBINSON of Arkansas. I likewise have received many communications complaining of the confusion that exists in the radio field. Many complaints have been registered with the commission concerning which no action has been taken. Upon inquiry of the commission as to whether it was possible to afford relief in a certain case, I was advised that no action was possible until the members of the commission had been confirmed, some of the names presented not having been acted on by the Senate. Does the Senator from Tennessee know of any reason why the commission can not function pending the confirmation of those members?

Mr. McKELLAR. I know of none whatever. They are acting commissioners, and there is no reason in the world why, under the law, they can not function. They ought to function; they ought to carry out the law, as they are required to do, in the interests of all the people; the people ought to know and we ought to know before we confirm them just what their attitude with reference to this great industry is.

Mr. ROBINSON of Arkansas. It has occurred to me that if the members of the commission feel that they can not function until after confirmation has been had the Senate would be justified in taking very stringent action concerning such members of the commission as assumed that attitude; in other words, as to those who advise that no attempt would be made to perform their duties until they had been given assurance that they would be permitted to continue in office to the end of their terms.

Mr. McKELLAR. I agree with the Senator entirely.

Mr. MAYFIELD. Mr. President—

Mr. HEFLIN. I can not yield further.

Mr. ROBINSON of Arkansas. I hope the Senator from Alabama will permit me to conclude my statement.

Mr. HEFLIN. Very well.

Mr. ROBINSON of Arkansas. I realize that the whole subject of radio is surrounded by confusion, and that the difficulties attached to a radio commissioner's position are very great and numerous.

Mr. McKELLAR. I agree with that statement of the Senator from Arkansas.



Mr. MAYFIELD. Mr. President, will the Senator yield?  
The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Texas?

Mr. HEFLIN. I will yield for merely a question.

Mr. MAYFIELD. I wish to ask the Senator from Tennessee [Mr. McKellar] if, under the present law, the Radio Commission does not possess the power to distribute the air equally among the five districts of the country?

Mr. McKellar. They possess the power.

Mr. MAYFIELD. Then, why do they not exercise that power?

Mr. McKellar. I can not say. I wish to say that I have received a letter, which I have sought and obtained permission to have printed in the Record, showing the very unequal distribution of power in the various sections of the country. It is one of the things against which I protest. Under the holding of the commission one zone has 200,000 watt power, while one southern zone has only 50,000 watt power. This is contrary to the intention of the law, is wholly unjust, and absolutely indefensible.

Mr. MAYFIELD. I will ask the Senator from Tennessee if it is not a fact that there is one station in New York that is allowed more watts than are allotted to all of the 11 States of the South put together?

Mr. McKellar. One station in New York, as I understand the situation, has more power than have all the entire Southern States.

Mr. MAYFIELD. Then why does not the commission make an equal distribution among the five districts of the country?

Mr. McKellar. I think they ought to do so. We ought to confirm no commissioner who is responsible for this unequal division of radio power.

Mr. DILL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Washington?

Mr. HEFLIN. I yield.

Mr. DILL. I desire to make one statement in answer to the question of the Senator from Texas [Mr. Mayfield]. The Radio Commission not only have the power to give the South its proper share of stations, wave lengths, and power but the present law makes it the duty of the Radio Commission to do that very thing.

Mr. MAYFIELD. Then is any amendment of the law in that respect necessary?

Mr. DILL. None at all.

#### CALL OF THE ROLL

Mr. BLEASE. Mr. President, I renew my suggestion of the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Fess	McNary	Smith
Barkley	Fletcher	Mayfield	Smoot
Bayard	Frazier	Neely	Steak
Black	George	Norbeck	Steiger
Blaine	Gerry	Norris	Stephens
Blaise	Gooding	Nye	Swanson
Borah	Gould	Oddie	Thomas
Bratton	Hale	Pine	Tydings
Brookhart	Harris	Pittman	Tyson
Broussard	Harrison	Ransdell	Wagner
Bruce	Healin	Reed, Pa.	Walsh, Mass.
Capper	Johnson	Robinson, Ark.	Walsh, Mont.
Caraway	Jones	Sackett	Warren
Curtis	Keyes	Schall	Willis
Cutting	La Follette	Sheppard	
Deneen	McKellar	Shipstead	
Dill	McMaster	Simmons	

Mr. CURTIS. I wish to announce that the Senator from Wyoming [Mr. Kendrick] and the Senator from Utah [Mr. King] are detained in the Committee on Appropriations.

The PRESIDING OFFICER. Sixty-five Senators having answered to their names, a quorum is present.

#### MUSCLE SHOALS

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (S. J. Res. 46) providing for the completion of Dam No. 2 and the steam plant at nitrate plant No. 2 in the vicinity of Muscle Shoals for the manufacture and distribution of fertilizer, and for other purposes.

Mr. HEFLIN. Mr. President, most of the Senators present have heard the Muscle Shoals matter discussed time and time again. My colleague [Mr. Black] on yesterday and the day before very ably presented this question to the Senate from our viewpoint. He stressed a point that I have always stressed and that I propose to stress to-day, namely, that Congress should keep faith with the American farmer.

Before me upon this desk is the original law providing for this project at Muscle Shoals. It specifically sets out that it is to be devoted to making nitrates for the Government in time of war, and fertilizer for the farmer in time of peace. That is the solemn obligation and covenant that we made when we singled out Muscle Shoals for development by the Government. No one can deny that.

Mr. President, some of the Senators here know what happened at Muscle Shoals after the World War. Work on Dam No. 2 at Muscle Shoals was stopped. Nothing was done to complete the project. The cofferdams in the river were washing away. Work that already had been done was deteriorating. The money already invested was about to be lost. A commission from the House went down to view the situation and to make recommendations as to what disposition should be made of it. That commission returned, and a majority of its members recommended that the project be abandoned and the property junked. It was then that Henry Ford appeared upon the scene, having gone to Muscle Shoals with Mr. Edison. While there he determined to make a bid in keeping with the declared purpose of a law enacted by Congress. He did make a bid, and he obligated himself to make 40,000 tons of fixed nitrogen every year for the use of the farmers of America, and to sell it to them at 8 per cent profit, and to keep that plant in good condition to be turned over to the Government when the Government should need it for nitrate purposes in time of war.

Some of the Senators here know how long-drawn-out the battle on the Ford bid was. They know what happened. Mr. Ford's bid was here with us, I believe, for about three or four years. For one reason or another Congress delayed action. Nothing was done, and finally Mr. Ford, weary of waiting and sick of delay, became disgusted and withdrew his bid. He withdrew his bid because Congress refused to act and carry out the provisions of the original act and devote Muscle Shoals to the making of fertilizer for the farmers in time of peace.

Then a concurrent resolution was passed by Congress providing for a joint committee of three Senators and three Members of the House to solicit bids for Muscle Shoals. A few bids were received. One was submitted by the American Cyanamid Co. and one by the Southern Power Co. that were considered as the best bids. There were three or four other bids, but the committee did not consider them favorably. These two bids first mentioned were the ones that were debated by the special committee of the House and Senate, composed of three Senators—the Senator from Illinois [Mr. Deneen], the Senator from Kentucky [Mr. Sackett], and myself from Alabama, and Congressman James, of Michigan, Congressman Quin, of Mississippi, and Congressman Morin, of Pennsylvania.

We considered these bids and took testimony concerning them for several weeks. The committee finally reported to the Senate and the House. We differed as to which one of these bids should be accepted, the Senator from Illinois [Mr. Deneen] and the Senator from Kentucky [Mr. Sackett] favoring one proposition, and I favored another.

No action at all was taken on the matter in the Senate or in the House and Congress again adjourned without anything being done with Muscle Shoals. I was for the Cyanamid bid because I thought it meant fertilizer for the farmer. There was no difference between the Senator from Kentucky and the Senator from Illinois and myself, as I understood it, that this project should be kept out of the hands of the Government and leased to some private individual. We were divided in opinion as to which one of these bidders would best carry out the original purpose of the law. We differed honestly as to that; but there is no difference between us, as I understand, upon the question of keeping the Government at Muscle Shoals out of business in competition with the private citizens of America.

At the outset Mr. Mayo, in his testimony before the Senate Committee on Agriculture supporting the Ford bid, told us what Mr. Ford intended to do at Muscle Shoals. Much has been said here in one way and another as to whether or not fertilizer could be made at Muscle Shoals. That is no longer a debatable question. It is an accomplished fact. Fertilizer made at Muscle Shoals has been used on soil around Muscle Shoals. It has been used mixed with other fertilizers and it has been used directly when applied by itself, and it has been a success in both instances.

Mr. Mayo, Mr. Ford's chief engineer, testified before the Committee on Agriculture and Forestry, and he said:

As I started to say, Mr. Ford in framing up this offer tried to make it that it covered all the original intentions of the Government to keep it in proper order as a national emergency protection, also to do what the Government had planned in having the plant there in peace times so as to make fertilizer at the lowest possible cost.

Senator HEFLIN. Mr. Mayo, you set out in your contract, I believe, that you are going to use about 100,000 horsepower in making fertilizer?

Mr. MAYO. That is what we figure it will take; yes, sir.

Senator HEFLIN. But I understand Mr. Ford really intends to use more than that.

Mr. MAYO. That is his intention; yes.

Senator HEFLIN. And he expects to manufacture fertilizer on a large scale?

Mr. MAYO. Yes, sir.

Mr. President, that has been my position from the outset. I did everything in my power to have the Ford bid accepted. I have never favored using a small portion of this power to carry on an experimental plant at Muscle Shoals, or to raise funds to carry on these plants elsewhere. I have favored using this power at Muscle Shoals, all that it requires to make 40,000 tons of fixed nitrogen and to make twice that amount if the farmers wanted it made.

I want to state to the Senate in the outset that I would favor using every horsepower at Dam No. 2 and every horsepower that we can develop at plant No. 2 to make the amount of fertilizer necessary to bring down the price of fertilizer to the farmers of the country. The farmers of America are in the clutches of the Fertilizer Trust, and here is an opportunity, and the only opportunity we have, to deliver the farmers of the country from the merciless clutches of the Fertilizer Trust. That opportunity is before us right now. We have it in our power to relieve the farmers of America of a great burden and by our votes to enable him to save several dollars on every ton of fertilizer that he buys.

To show that Mr. Ford intended to make fertilizer on a large scale, continuing, Mr. Mayo said:

Mr. Ford will have to install the necessary apparatus to make the phosphoric acid and potash elements of the fertilizer, so as to make a complete fertilizer.

So, Mr. President, at one time we from the South were united in the main upon this question. Most of the southern Senators supported the Ford offer; and we seemed to be determined, so far as it was in our power, to see to it that the Muscle Shoals project was used to make cheap fertilizer at Muscle Shoals.

Some Senators from the South seem to have gotten away from that idea. Other interests have been busy and they are now seeking to have this Muscle Shoals power sold to power companies to be used for other purposes. The effort is being made here, I am sorry to say, to abandon making fertilizer at Muscle Shoals. Let us not attempt to deceive ourselves. The proposition now before the Senate, the Norris resolution, does not provide that the power at Muscle Shoals shall be used for the benefit of the farmers of America. It is a power proposition, pure and simple. There is no fertilizer in it for the farmer.

We had this matter up before the special committee of Congress of which I was a member, and we discussed every phase of it there. Senators talk about it still being a matter of experiment as to whether fertilizer can be made cheaply at Muscle Shoals. Men who are in the business testify that it can be done. Men who have made a thorough investigation of the subject stated to us that it can be done. Not only that, but Mr. Mayo, Mr. Ford's chief engineer, said, "We believe that we can cut the price of fertilizer in half."

He was considering the fact that they were not going to have to pay such a large price for power, and that plant No. 2 was already in existence, and they would get that at a reasonable figure. I am willing for anybody to get it at a reasonable figure, and I am willing to sell them power to make fertilizer cheaper than I would sell the power to anybody else; for if there is a class of people in this country now that is entitled to special consideration at the hands of Congress it is the farming class of our people.

Special favors are being shown to other classes. Here is an opportunity at Muscle Shoals to bless and benefit the farmer; and you are not showing him any special favor, either. You are not going out of your way to do him a kindness. You are simply living up to the requirements of an act of Congress. It is right here in this big book in front of me. I am calling on Senators to keep the promise that we made to the farmers of the country. We must not break faith with the farmers of America.

Now let us see what it would amount to if we could get started to making fertilizer down there in earnest.

Representative QUIN, of Mississippi, interrogated Major Burns as follows:

You understand I am a farmer. I do not want to confuse the two. I am speaking now of fixed nitrogen. You call this nitrogen by itself. That is what the bill said Mr. Ford was to make—fixed nitrogen.

You say according to your idea it would cost \$110 a ton to have it in liquid form.

Major BURNS. That is right; in the form of liquid ammonia.

Representative QUIN. Now transform it into power. How much is it?

Major BURNS. My memory is that it would be 7 cents a pound. I think the transformation cost for changing it was a little over 4 cents a pound, so that it would bring the total up to approximately 10 cents a pound. That would be \$200 a ton of fixed nitrogen.

Representative QUIN. Then 2,000 pounds of pure fixed nitrogen would cost what?

Major BURNS. It would cost you \$200.

Representative QUIN. Well, what does Chilean nitrogen cost—Chilean nitrate?

Major BURNS. It is in excess of \$300 a ton.

Representative QUIN. It costs that much now?

Major BURNS. Yes; it costs in excess of \$300. It is six and a half times \$55, which would be in excess of \$350 a ton right now.

Mr. President, Major Burns is the man upon whom the able Senator from Nebraska relies so much, and the nitrogen that the Cyanamid Co. in America can produce as against this constitutes a saving of practically \$150 a ton on this ingredient, according to Major Burns's own testimony.

We have never had an opportunity to compete in earnest with the Chilean nitrate. We have nobody really competing with Chilean nitrate. The American manufacturers of fertilizer, the larger ones, are in with them. They get ingredients from Chilean nitrate concerns. There is now the biggest fertilizer combination the world has ever known. Just recently they have formed a world nitrogen trust.

I want to read and place in the RECORD a news item from Paris, printed in the New York Times of December 17, 1927. This followed an announcement in the United States Department of Commerce Finance Bulletin, dated October 24, 1927, as follows:

It is reported that a more far-reaching international entente has been proposed which would include the Chilean producers with the major European synthetic producers and would divide the world's nitrogen markets, fix prices, and regulate sales and production.

Here is another quotation from the Industrial Bulletin of December, 1927:

One hundred companies are listed as being merged or affiliated with the I. G.

That is a big chemical combination in Germany.

Thirteen of these are designated as founders or chief members. Among the 87 others are included fertilizer and agricultural chemical companies; chemical, electrochemical, and metallurgical works; makers of celluloid, artificial silk, and explosives; handlers of compressed gases, and 11 unclassified firms.

I want to call attention to the newspaper account of this trust that was recently formed:

NITRATES PARLEY TO BE HELD AT SEA—GERMANS INVITE NITROGEN INDUSTRY LEADERS FROM FIVE COUNTRIES ON A MEDITERRANEAN CRUISE—HOPE TO PERFECT ENTENTE—AMERICANS, FRENCH, ENGLISH, NORWEGIANS, AND PROBABLY ITALIANS WILL DISCUSS COOPERATION

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PARIS, December 16.—The first international trade conference ever held upon the high seas will get under way within the next 10 days when the leaders of the nitrogen industries of the United States, Great Britain, France, Germany, Norway, and Italy leave Marseille aboard a luxurious private yacht for a three weeks' cruise on the Mediterranean. Heads of the German nitrogen trust, who are promoting the unique meeting, hope that an international nitrogen entente will have taken definite form by the time the ship returns to the French port.

The yacht has just been chartered. Orders have been given to stock it with the finest wines, champagnes, and all the delicacies of the season. Nothing will be left undone to make the voyage a happy one. Although a considerable portion of each day will be spent in going over the outstanding issues between the various national groups, frequent stops will be made at attractive Mediterranean places to relieve the strain of the daily sessions.

It is understood that representatives from all nations mentioned above have accepted with the exception of Italy, which is expected to join the others in a few days. According to very reliable information the American synthetic-nitrogen industry will join the cruise, although efforts are being made to give the impression that Americans are not participating, since American laws prohibit industries from becoming parties to international trade agreements.

If any additional evidence of Germany's eagerness to create a nitrogen trust were lacking, the international ocean meeting supplies that lack. The originality of the invitation so intrigued the national groups, it is said, that acceptance was almost immediately assured.



As has been pointed out in previous dispatches, a nitrogen entente is part 2 of the much-discussed billion-dollar Chemical Trust now in operation. Part 1 consists of the dyestuffs agreement signed three weeks ago at Frankfurt between the delegates of France, Germany, and Great Britain. Part 3, covering artificial silk, remains the subject of negotiations.

From the German standpoint the nitrogen entente is even more important than the dyestuffs compact, because Germany has superseded her dyestuff manufacturing by the production of artificial nitrates. Several hundred million dollars in capital is involved in the impending Nitrates Trust, and if the Americans join the figure will be substantially increased.

All but half a dozen points have been agreed upon between the respective members, but several of these are causing a delay which is irritating the Germans. Hence the idea of transporting all concerned to the salubrious atmosphere of the Mediterranean away from interruptions and routine life.

If the unprecedented voyage results in a success, a new method of advancing international relations may have been established.

Mr. President, it were enough if I should stop right there to cause every Senator in this body who really cares for the American farmer and his problem to vote to use the power at Muscle Shoals to make cheap fertilizer for the farmer. The Government has this property. A combination has been formed by the great chemical concerns of the earth not only to control the price in three or four or five nations, but in all the nations, to farm out the territory that each one shall supply, and to absolutely dictate the price, to name the amount that shall go to each territory. This trip of the big manufacturers of fertilizer was made in a fine yacht out upon the Mediterranean, and fine wines were furnished, the newspapers tell us, and no doubt they had a glorious time on that yacht upon the sea, discussing ways and means to rob the farmer of America more successfully than they are robbing him now, and God knows they are doing a good job of it now. They are taking in exorbitant fertilizer prices large portions of the fruits of his toil. They have created conditions that make the burden of farming more difficult and disagreeable every year. The farmer is having a harder time now to get fertilizer sufficient to meet his demands than he has ever had before. Something must be done to enable the farmer to get away from the conditions that oppress and rob him.

Senators, before I leave that point, I want to call this to the attention of the Senate. Recently, since Congress met, the Fertilizer Trust has increased the price of the fertilizer that the farmer must use to make his crop this year. The price of agricultural products did not warrant such a raise. Why did they do that? They did that because the big Fertilizer Trust recently formed wanted it done. Will Congress permit the great fertilizer manufacturers of this country and of the world to get together, dictate the price, and hold up and rob the American farmer when we have this Government project at our disposal and it is within our power in the plan that I am suggesting here to-day, to meet this competition, and throw this large amount of fertilizer on the market at a greatly reduced price, which is bound to bring price levels down in the whole fertilizer business in the United States?

Let us see what Mr. Hoover's idea was about this matter. He appeared before the special committee of the Senate and House selected to receive bids for Muscle Shoals, and among other things he said:

A few minutes before I came here I started to dictate something which I would not want to let out, but in order to get these ideas stated, I have set down the general headlines under which the bids should be formulated, to be circulated to these bidders.

First. A 50-year lease upon the property.

Second. The minimum amount of fixed nitrogen to be produced annually.

Third. Undertaking to limit profits on the sale of nitrogen or fertilizer.

Fourth. Minimum annual sum to be paid to the Government for the lease of the properties as they now stand.

Fifth. Maintenance of the plant for national defense, in addition at all times to producing the minimum amount of fixed nitrogen.

Sixth. Method of distribution of power which is not required for fertilizer manufacturing.

And in spite of our purpose and understanding about what the Senate and House wanted us to do, we are confronted with a proposition to take all that power and sell it to people and power companies and take the money that is received and establish a fertilizer plant at Muscle Shoals—the Senator from Nebraska included that in his resolution at my suggestion—and fertilizer plants at a few other places over the country, here and yonder. I am afraid they would not amount to anything.

I say that with all kindness to my good friend, the able Senator from Nebraska. We are to sell the power, dole it out to power companies and people who want it for various purposes, and get the money back second hand—that is, if there is any money left for that purpose—and turn it into an experiment station to see whether or not we can make fertilizer for the farmer. The suggestion is simply ridiculous. That is not in keeping with the original act. It is not in keeping with the purpose of Congress, it is not in keeping with our pledge to the farmer, and it ought not to be approved by the Senate.

What else did Secretary Hoover say?

I was asking him some questions before the committee.

Senator HEFLIN. I think they can if they want to, according to my position, bid for Dam No. 2 regardless of any other improvement that is to be made.

Secretary HOOPER. I think it ought to be set out to them that they can bid both ways.

Senator HEFLIN. Yes.

So Mr. President I am now confining my argument as nearly as I can to Senator NORRIS's resolution, which relates to Dam No. 2, plant No. 2, and the property at Muscle Shoals.

Now, let us see what was in our minds all the time. I asked the question:

What I want to get at if I can, and I think the other members of the committee also, is one bidder who will agree to do all of this. He will first use the power to make fertilizer.

Chairman DENEEN. I think Mr. JAMES refers to line 10 on the first page, which reads, "But no lease or leases shall be recommended which do not guarantee and safeguard the production of nitrates."

And Mr. President that is not guaranteed in the resolution of the Senator from Nebraska. It gets us away from that. We are departing from it entirely. His resolution takes us off on a power proposition.

Again Secretary Hoover testifies:

Senator SACKETT. What does that figure per kilowatt-hour?

Secretary HOOPER. About \$20 per horsepower year. Now, we have got a property here that is worth anywhere between two and three million dollars a year to the Government as it stands. I take it everybody is prepared to give that total sum to the manufacture of fertilizers if that is what is wanted, but I do think we ought to get it definite, in some fashion, if we can, so that we can give as little as we have to to get the fertilizer made. I do not think we ought to throw the money away.

Senator HEFLIN. You think that the property down there should pay \$2,500,000 a year?

Secretary HOOPER. I think you will get a bid for it to-morrow of around \$2,500,000 a year for the power itself.

Senator HEFLIN. You mean for plant No. 2 and Dam No. 2?

Secretary HOOPER. Yes, sir.

Mr. President, the Secretary of Commerce knew what we were driving at and what we had stated our purpose to be to all bidders that they must make fertilizer at Muscle Shoals, and he stated that it should be set out in the contract.

Then the head of the Agricultural Department, Secretary Jardine, appeared before our committee, and he was asked about the same thing:

Secretary JARDINE. You mean that the Government would be able to take this back whenever it desired?

Representative JAMES. Yes, sir.

Secretary JARDINE. Of course, that would be to the advantage of the Government, and it would seem to me it probably would not be to the advantage of Mr. Ford.

Secretary HOOPER. It would be a question of what the terms of recapture were. If a man wanted \$25,000,000 to take it back, it would not be much of a bid.

Senator HEFLIN. The lease itself will have a proviso in it that we can cancel it if the lessee fails to carry out his part of the contract.

There is nothing of that character in the resolution of the Senator from Nebraska. There is no provision in it to compel them to make fertilizer. The provisions of his resolution refer in the main to the disposition of power at Muscle Shoals.

Mr. Hooker, a very capable man now engaged in the fertilizer business in the State of New York and who is making money in the business, testified before our special committee. Listen to what he said:

The point of that is that economies can be effected in the manufacture of fertilizer by introducing chemistry into an industry which is now largely a mechanical mixing industry, but those improvements due to modern chemistry and due to things that have superseded cyanamide plant No. 2 can only reduce the cost of fertilizer, in dollars, a few dollars from its present price of \$27, \$28, or \$30 a ton, whereas there is a tremendous saving to the farmer that can be made by cutting that

price completely in two, and that can be done by concentrated fertilizer. Anybody can make concentrated fertilizer. Anybody who is going to bid here can make it. We think we can do it perhaps a little better than somebody else. Perhaps they think they can do it a little better than we can. It is immaterial. We can all do it.

There is no longer any use of experimentation. There is no longer any use of playing with this project of Muscle Shoals to get money to build experiment stations and put chemical professors in them to experiment with the proposition, and all that sort of thing, and prolonging the matter and keeping it from being disposed of as it was intended to be disposed of for the purpose of manufacturing cheap fertilizer for our farmers. Continuing, Mr. Hooker said:

We can make it.

Senator HEFLIN. And cut the price to \$14 [a ton]?

Mr. HOOKER. And cut the price down to \$15, \$14, or \$13 [a ton]. That is the thing the farmer has to have, and that is what he can have, but there is only one way in which he can get it.

And, Mr. President, he made it plain to us that the way to get it was to devote that plant down there to making fertilizer, and he was very anxious to get it for that purpose. That was his testimony. It is undisputed. Nobody challenged his statement and he was not the only witness who appeared before us who talked about cutting the price of fertilizer half in two at Muscle Shoals.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. HEFLIN. Certainly.

Mr. NORRIS. Mr. Hooker was one of the bidders, was he not?

Mr. HEFLIN. Yes; he was.

Mr. NORRIS. He had made a bid there himself?

Mr. HEFLIN. He had.

Mr. NORRIS. He thought he could produce fertilizer in that way. The Senator, however, would not advise the acceptance of his bid, would he?

Mr. HEFLIN. No; but there were some good features in it.

Mr. NORRIS. I think so, too. There were some good features. I had a great deal of respect for a great many of the ideas of Mr. Hooker.

Mr. HEFLIN. So did I.

Mr. NORRIS. But I think the Senator will agree with me in saying that Mr. Hooker was opposed to the cyanamide bid which the Senator himself is favoring.

Mr. HEFLIN. He was opposed to it; he wanted Muscle Shoals and said he hoped we would accept his bid.

Mr. NORRIS. Yes; and the way he thought he could reduce the price of fertilizer was to have us accept his bid, was it not, which the Senator himself and, as I understand it, no other member of the committee was in favor of doing.

Mr. HEFLIN. We really did not reach the point of accepting his bid, because he wanted the Government to put up too much money in addition to the property already in existence at Muscle Shoals.

Mr. NORRIS. Of course, as the Senator probably knows, I have been all over his bid, because he had the same bid before the Committee on Agriculture and Forestry; and we listened to his testimony there at great length. I do not know of anyone now a member of the Committee on Agriculture and Forestry who was in favor of accepting his bid.

Mr. HEFLIN. I am not arguing that they were in favor of it or that it should have been accepted. I am saying what a man who was already in the fertilizer business and who has passed the experimental stage and who is accomplishing what he set out to accomplish said he could do if he could get Muscle Shoals, and that is that he could cut the price of fertilizer in half; that he would enable the farmer to buy a ton of fertilizer for half the price he now pays.

Mr. NORRIS. But the way he was going to get it was so objectionable that nobody who was giving it any consideration on either committee was at all favorable to it. He wanted, as the Senator said, the Government to put up too much money. He wanted the Government to furnish too much capital. He wanted to get too much power at Government expense. Therefore his bid was rejected by everybody.

Mr. HEFLIN. It was not seriously considered by the special committee, but I come back to the proposition that Mr. Hooker is in the fertilizer business, and that he has passed the experimental stage in it and is making money out of it. He told the committee he was making money out of it and expected to continue to do so. He testified that if he could get Muscle Shoals with the equipment we have there, he could cut that price in half, and he said "All of us can do it."

Mr. NORRIS. I think the Senator was a little bit in error when he said that if he could get the equipment there he would take it.

Mr. HEFLIN. Of course, he wanted the Government to furnish the capital.

Mr. NORRIS. He asked a whole lot more. I do not suppose he would give a second thought to accepting nitrate plant No. 2 free of rent and operating it himself and making exclusively fertilizer. He would not do it under those circumstances, or at least, he never has offered to do that.

Mr. HEFLIN. I do not know. He said he did not have enough capital himself and that he wanted the Government to supply it.

Doctor Curtis, of Boston, was on the President's special committee to make inquiry as to Muscle Shoals. He testified before our committee, and I asked him:

Doctor, how much do you think the price can be reduced by manufacturing fertilizer at Muscle Shoals?

Doctor CURTIS. I do not believe a quantitative answer can be given at this time. Certainly, in the long run, you can reduce it very much below the present price, and possibly reduce it more than half.

And yet some Senators are saying here that fertilizer can not be made down there at all, but that it will be a losing business, when everybody who has been before us has said to the contrary. As I have already said, Mr. Mayo, in the outset, representing Mr. Ford as his chief engineer, stated that he believed we could cut the price of fertilizer in half. Mr. Hooker, who is in the fertilizer business, said:

I can cut the price in half, and all of us can cut it in half.

Doctor Curtis said:

In the long run we will cut it more than half.

This is such a plain case that I do not see how anybody is going to be excused by the folks at home if they refuse to use the Muscle Shoals project in behalf of the American farmer and bring him relief from the Fertilizer Trust and enable him to buy fertilizer more cheaply than he is getting it to-day.

The able Senator from Georgia [Mr. GEORGE] and I were talking about fertilizer prices one day last spring, and he told me he had to buy some fertilizer and that the fertilizer people had raised the price to \$5 a ton. I want to tell the Senator from Georgia and all the Senators that they have recently raised the fertilizer price again. They raise it whenever they get ready. But the farmer's cotton is bringing a poor price and it is going down and the gamblers on the exchanges are beating the life out of it, and the farmer has to stand off amazed, stunned, dumbfounded, and look on at the cruel oppression of the gamblers on the exchange beating down the price of that which he produces, and on the other hand seeing the Fertilizer Trust, by a nod of the head and stroke of the pen putting up the price of that which he has to have to produce the crop to supply food and raiment for his family.

Mr. President, I submit that we can well afford to have this one plant set aside for the benefit of the sorely oppressed farmers of our country.

Here are some questions and answers on another important phase of this question. We were talking about the cyanamide patents and royalties which the Cyanamid Co. if it gets Muscle Shoals would waive:

Senator HEFLIN. If we add \$125,000,000 for royalties—

Senator SACKETT. They are not going to use that process, though.

Senator HEFLIN. The Cyanamid Co. will use that process.

Senator SACKETT. Yes; but the power company will not use the cyanamide process.

Senator HEFLIN. But the power company does not waive its royalties.

Major FLEMING. No, sir.

Then, what is the additional cost for royalties? It is \$1,500,000 to \$2,000,000 a year. What is it if the Cyanamid bid should be accepted—and we are not discussing that here except by way of comparison. They would waive their royalties, and that would not be counted in the cost of fertilizer production. That is an item to be considered by Senators who really want to do something for the American farmer. We would cut out of the cost of fertilizer production between a million and a half and two millions a year. There is so much of this testimony that I can only refer to the more pertinent points as I pass along.

Mr. Bell, of New York, is president of the American Cyanamid Co., and I asked him:

Mr. Bell, if you could follow Mr. JAMES'S suggestion, and call in Mr. Bowers and Mr. Gray, who represent the farm bureau people, it might be worked out. Mr. Bowers, you know, is connected with the President's inquiry. They are very able men, both of them.

Mr. BELL. They are.

Senator HEFLIN. If you, together with General Hull, could rewrite that provision in a way so that we could tell the Senate and the House that this provision is approved by the farm bureau people, I think they would approve a fair proposition.



Mr. BELL. I think they would approve a fair proposition, and I will be delighted to sit down and revamp this in such shape as they think is fair.

I believe I can meet their view and the views of General Hull, but I do not want to promise that it can be done in a great deal less space. There is half a page, and no firm of accountants can possibly know what to do with that provision unless it is set forth.

There was Mr. Bell; he was willing to comply with whatever we wanted done with regard to making a certain amount of fertilizer.

I have suggested all along, and I still occupy that position, that whoever may get this Muscle Shoals property, we should provide in the lease that he is to make fertilizer or forfeit the lease; that the minute he begins to "throw off" on his contract to make fertilizer for the purpose of using the power for other purposes he forfeits his lease and we take the property away from him. That is what we would do with any other business. Why not take that step and safeguard the situation in behalf of the farmers of the country? Listen to his testimony about the royalties:

Mr. HEFLIN. You agree to waive your own royalties?

Mr. BELL. Yes.

Mr. HEFLIN. That would amount in 50 years to \$62,500,000?

Mr. BELL. On the basis of the royalties established, Senator, it would amount to that, and, in addition to that, we are waiving royalties on ammo-phos and anything else that we might use there, so that it amounts to a great deal more than that.

That tremendous saving in the cost of producing fertilizer is one of the things that we should consider. I do not know on what we shall be able to agree, but I want to say to the Senators from Georgia, from Arkansas, from Texas, from Florida, and Senators from other States that I trust that we may get together on something, that we may write a contract and submit it to the Cyanamid Co. or to any other company that will make fertilizer at Muscle Shoals and then use the power that is left for other purposes. Let us get together and see if we can not do that. I am ready to do everything that I can to that end.

There is nothing in the resolution of the Senator from Nebraska [Mr. NORRIS] for the farmer, and therefore I want his joint resolution voted down. I do not want to put this Government into business in competition with the private citizen, and I want no subterfuge put upon the Senate and the country. I repeat, there is nothing in the joint resolution for the farmer; the farmer would not get anything out of it. As my colleague [Mr. BLACK] stated on yesterday, it is a power proposition, pure and simple.

What else? We had some testimony before the Committee on Agriculture and Forestry recently and the distinguished Senator from Nebraska had present one of his able expert witnesses, Doctor Howe.

Doctor Howe was not friendly to any proposition except the proposition of the Senator from Nebraska. I want to say just here that one can get experts on any side of every question that may be brought up in this body. It is like trying a man for insanity in a courthouse. It is easy to get doctors—and each one thinks he is right—who will come and swear that he is insane or that he is not insane. So, I repeat, one may get testimony on either side; and, Congress having taken testimony on this subject for eight years, I have seen dozens of witnesses contradict themselves time and time again. While Doctor Howe was testifying I knew that some of the Senators did not understand the cyanamide business, and I interrogated him after this fashion:

Mr. HEFLIN. The American Cyanamid Co. is doing a flourishing business, is it not?

Doctor HOWE. To the best of my information it is. \* \* \*

Mr. HEFLIN. Is this American Cyanamid fertilizer a good fertilizer?

Doctor HOWE. It certainly is. \* \* \*

Mr. HEFLIN. Is it a fine plant food?

Doctor HOWE. Yes; unquestionably. \* \* \*

Senators, that is the testimony of a witness who was unfriendly to the Cyanamid Co.'s proposition. I repeat, we are not urging the American Cyanamid Co. bid at this time; but I want to show some of the things that would not be counted in the cost of the production of fertilizer if we should accept that bid later on.

I quote from the so-called Madden-Willis bill, which contains the American Cyanamid Co.'s bid for the use of Muscle Shoals for making cheap fertilizer for our farmers:

There shall not be included in the cost of such concentrated fertilizer any royalties paid or payable on any processes utilized in the manufacture of such concentrated fertilizer, which are now owned or which may hereafter be acquired by said American Cyanamid Co. and/or by any subsidiary and/or allied corporation of said American Cyanamid Co.; nor shall there be included in the cost of such concentrated fertil-

izer any royalties upon inventions or discoveries made through and in the course of research provided for in subdivision (4) of this article.

Now, listen to this, Senators:

There shall not be included in the cost of such concentrated fertilizer any compensation paid to any person holding the office of president, vice president, secretary, or treasurer or any other corporate office in said American Cyanamid Co., nor any compensation paid to any person holding like office in any subsidiary or allied corporation of said company; but this provision shall not be deemed to exclude from such cost compensation paid to any officer employed by a corporation engaged exclusively in the manufacture of such concentrated fertilizer under this lease.

Mr. President, have you considered the joint resolution of the Senator from Nebraska? This is what it provides:

The Secretary of War is authorized to enter into contracts for such sale—

The sale of power—

for a term of not exceeding 10 years from the 1st day of January, 1929; and the sale of such current by the Secretary of War shall give preference to States, counties, or municipalities purchasing said current for distribution to citizens and customers.

Senators, do you see any fertilizer in that provision? Where is the plan for fertilizer for the farmer? It is a piecemeal proposition, involving 10 years more delay, withholding this giant machine from the farmers of America, when they are struggling year after year and going down to defeat and financial failure in that struggle. Here is an opportunity to stretch forth a helping hand and deliver them and put them on their feet again, and yet we hear some of our southern Senators talking about voting for the distribution of power to the States around about Muscle Shoals.

What else does the joint resolution provide? Listen to the reading of section 5.

The money received by the Secretary of War for the sale of such current (hydroelectric power) after deducting the cost of operation—

Get these statements, Senators—

maintenance, depreciation, and the cost of constructing transmission lines, if any, shall be paid—

Do you get that? If there is any money left, it shall be paid—

into the Treasury of the United States, and the same shall be segregated and set aside as a special fund for developing, manufacturing, and introducing improved fertilizers and fertilizer practices for the purpose of reducing the cost and increasing the efficiency and use of fertilizers on American soils.

Senators, I am going to draw you a picture with which you will probably be confronted. If some smart man should get up before an audience in the South and read that section, and should be asked how he voted on the question of providing fertilizer for the farmer, and should say, "I voted for the Norris joint resolution as it now stands," there would be wailing and gnashing of teeth in that settlement politically. I repeat there is no fertilizer in that resolution for the farmer. We have delayed making disposition of Muscle Shoals until 2,000,000 farmers have been driven from their farms during the last six years; 2,000,000 farmers have gone down in the struggle, whipped and broken; they have gone into the city to start life over again under new conditions, strangers among strangers, to eke out a miserable existence in quarters such as they have never been acquainted with, and under circumstances and surroundings with which they have never heretofore contended. Here is an opportunity to do something for them; here is an opportunity to give employment to 10,000 American patriots who will be able to provide for their families at Muscle Shoals, down in Alabama, in the glorious southland. But you are talking about parceling out power that you want divided up at Muscle Shoals. One State wants some and another State wants some, and still another wants some. When it is asked, Where does the farmer come in, the reply is, "Oh, well, there is a provision in the joint resolution of the Senator from Nebraska that the money from the sale of all this power, if there is any left for that purpose, is to go toward establishing an experiment station and to carry on the practice of the application of fertilizer somewhere at some time at some experiment station a way out yonder in the future." "Well, what has become of the original act which provided that Muscle Shoals should be used in time of peace to manufacture fertilizer for the farmer?" "Oh, we have forgotten that." "What has become of the plan that Ford laid down to make for the farmer 40,000 tons of fixed nitrogen, which would be used in making nearly 2,000,000 tons of complete fertilizer?"

What have you done with that?" "Well, Ford withdrew his bid." "Well, why did he do it?" "Because we dallied along with it and delayed action until he got disgusted and quit, and because he was told that the power companies were never going to let the farmer get it." That is what the farmers are going to say.

We know what has been done so far. Congress has come and gone. How fares the farmer? Well, the Fertilizer Trust is still robbing him, and he is still losing his battle. How fares the farmer? He is still leaving the farm and going into the towns and cities.

Mr. CARAWAY. Mr. President, may I interrupt the Senator?

Mr. HEFLIN. Yes.

Mr. CARAWAY. According to the Senator from Utah [Mr. Smoot] the farmer is more prosperous now than he has ever been, is he not?

Mr. HEFLIN. Yes; but I could not agree with the Senator from Utah.

Mr. CARAWAY. The Senator from Utah said when the farmer was broke it was a sign of his being prosperous.

Mr. HEFLIN. I could not agree with the Senator from Utah, but the farmer, being broke year in and year out, will ask, "What did Congress do with Muscle Shoals?" "The same thing as before." "What is that?" "Nothing." "Did they dispose of Muscle Shoals so that the farmer could obtain fertilizer?" "No." "Did the southern Senators stand together and battle for the deliverance of the farmers of the South from the Fertilizer Trust?" "No." "What did they do?" "Why, some Senators talked about distributing power in equitable fashion—whatever that is."

But that does not get cheap fertilizer for the farmer. It reminded me of the two fellows that met on the public road. One of them had a sick mule. The other one said, "What is the matter with your mule?" The owner said, "He's sick. He's got the colic. Do you know of anything to give a mule that has the colic?" The other man said, "I had one that had the colic last week." "Well, what did you give him?" He said, "I gave him a quart of turpentine"; and he drove on.

The other fellow got a quart of turpentine and gave it to his mule; and the men met again the next week. Bill said, "How d'ye do, Sam?" Sam said, "How d'ye do, Bill?" Bill said, "Didn't you tell me you gave your mule a quart of turpentine?" "Yes." "How did it affect him?" "It killed him. Did you give it to yours?" "Yes." "How did it affect him?" "It killed mine, too." [Laughter.] Sam said, "Good-by, Bill." Bill said, "Good-by, Sam"; and each went his way.

If something is not done to put Muscle Shoals to work making fertilizer for our farmers, large numbers of voters will be telling "good-by" to Senators who are against using Muscle Shoals for our farmers. [Laughter.]

We ask the farmers:

"Have you got any cheap fertilizer at Muscle Shoals yet?"

"No."

"How long have they had this measure up in Congress?"

"Eight years—nearly nine."

"Have they ever disposed of it yet?"

"No."

"What is the trouble?"

"They have got two factions in Congress."

"What are they fighting for?"

"One is fighting to have fertilizer for our farmers made at Muscle Shoals and the other is fighting to turn it over to the Power Trust."

There is no escape from that conclusion. I do not care how much camouflage may be employed; there is no escape from that naked fact. It stands up in front of you like Pikes Peak. You can not keep from seeing it, Senators; and I hope that we will be able to get together and work out something, instead of standing here splitting hairs and quibbling about whether the synthetic process, the cyanamide process, steam power, or water power is the best. I do not care what process you use. The American Cyanamid Co. says it will use either or both. I do not care whether you use water power or steam power; I want fertilizer for the farmer, and I want this plant leased to an American citizen, and have it specified in the contract what he has got to do, and make him do it. We certainly have the opportunity and authority to do that.

Mr. CARAWAY. Mr. President—

Mr. HEFLIN. I yield to my friend from Arkansas.

Mr. CARAWAY. If it will not interrupt the Senator's argument, I was about to say that I propose to submit an amendment to the joint resolution that the Senator had in his hand just then, the Norris joint resolution. I should like to read it to the Senator and see if he approves it.

Mr. HEFLIN. I should like to hear it read.

Mr. CARAWAY. I propose to add a new section, to be known as 9 (a), and to read as follows:

The Secretary of Agriculture is authorized and directed to utilize nitrate plant numbered 2 for experiments in the production of fertilizers by the use of the cyanamide process, to determine whether it is or is not commercially feasible to produce fertilizers by such process. If the Secretary of Agriculture determines that it is commercially feasible to produce fertilizers by the cyanamide process, then such plant shall be used for the production of fertilizers by such process in the largest quantities practicable, and the fertilizers so produced shall be disposed of at the lowest prices practicable, to meet the agricultural demands therefore and effectuate the purposes of this resolution. In the utilization of nitrate plant No. 2 the Secretary of Agriculture shall avail himself of power in the same manner as provided in section 8.

I want, Mr. President, to offer that as an amendment to the joint resolution, and have it printed and lie on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARAWAY. I should like to have the views of the Senator from Alabama on that amendment.

Mr. HEFLIN. Mr. President, we might be able to work out something that would include some of the views the Senator from Arkansas has expressed in his amendment; but I want us to write it in the law that we shall make at Muscle Shoals at least 40,000 tons, and the Cyanamid Co. agrees to make 50,000 tons of fixed nitrogen, and I want us to compel them to go to making fertilizer and to make the amount we want made, because Mr. Hooker testified that they can all make it at Muscle Shoals; and there is no use of experimenting any longer or leaving it with the Secretary of Agriculture to say whether or not he thinks fertilizer can be made at Muscle Shoals. We already know that it can be done. Then we want to use the power that we have down there and compel them to make it.

I know that the Senator from Arkansas is perfectly earnest and sincere in his proposal; but I am afraid that if you put that power in their hands, and leave it optional with the Secretary as to what he will do, this mighty influence that has kept Muscle Shoals from being disposed of for the purpose of making fertilizer for the farmer will continue to keep it from being used for that purpose.

Mr. TYSON. Mr. President—

Mr. HEFLIN. I yield to the Senator from Tennessee.

Mr. TYSON. I should like to ask the Senator if he has seen the amendment I have offered, which would compel the production ultimately of 40,000 tons of fertilizer?

Mr. HEFLIN. I have not seen it. What is the Senator's amendment?

Mr. TYSON. My amendment provides that the Secretary of Agriculture is to be required not later than 1931 to commence by the best method he has found to produce fertilizer, and that he is to produce at least 5,000 tons each year until he goes on up to 40,000 tons, if it can be sold to the farmers.

My amendment is lying on the table. It was offered day before yesterday, and was published in the Record.

Mr. HEFLIN. Both the amendment of the Senator from Tennessee and that of the Senator from Arkansas are better than the proposal of the Senator from Nebraska; but I do not want any Government in it at all. I do not want to leave this matter in the discretion of any governmental department.

Mr. TYSON. My amendment provides for a lease in the first place, if one can be had; and, failing to get a lease, then the Secretary of Agriculture is to operate the plant.

Mr. HEFLIN. We can certainly get a lease if we can ever reach the point where we are willing to turn somebody loose there and say, "Now you have all the power you want to make fertilizer, go ahead and make it." The American Cyanamid Co., for one, stands ready to go to doing business there, and others will come in; but if we leave it to the Secretary of Agriculture to find somebody and carry on his experiments, Senators, this thing of delaying is going to continue. That is what I am afraid of.

Mr. CARAWAY. Is the Senator now discussing the so-called Willis-Madden bill?

Mr. HEFLIN. Yes.

Mr. CARAWAY. As the Senator knows, it contemplates the expenditure of about \$300,000,000.

Mr. HEFLIN. I do not think it is that much; but it does contemplate expending in all about \$76,000,000. But a part of that is to be charged to flood control and navigation.

Mr. CARAWAY. I thought the better engineering judgment was that it would cost about \$300,000,000.

It struck me, if I may be permitted to say this in the Senator's time, that it is perfectly idle to discuss that bill. There



is not any more hope that it will be passed than there was a chance to have the Henry Ford offer—which was the best one ever submitted to the Senate—accepted. I think the Senator from Alabama will find out that he is up against the fact that some modified form of manufacture of nitrates at Muscle Shoals will have to be accepted.

I have been in perfect accord with the Senator from Alabama in wanting the Senate to accept a lease. I have not yet been able to convince myself that the Government is able to run a private business more advantageously than private interests can run the business.

Private enterprise built the country, and if it had sense enough to build it I think it has sense enough to run its business; but I do not think the contract the Senator is discussing has a ghost of a chance to pass, and it is now a question of accepting some proposition that will give the farmers some relief.

I am just expressing my opinion on the matter. Of course, there are some Senators who think nothing is well done unless the Government does it. I am just reminded of the Government's way of doing business.

The other day I had occasion to send down to the Immigration Bureau. I sent a messenger down there with an appointment for half after 1. He stayed until 15 minutes past 3, and not a single individual had gotten back from his lunch at that time. What time he did arrive, if he got back at all that day, I do not know. Possibly the lunch lasted all day that day, and he may have been at his office the next day.

I know, and the Senator from Alabama knows, that that is the way the Government does business; and all the private business so conducted would be in a high state of prosperity, according to the Senator from Utah [Mr. Smoot], because it would be broke, which he says is always evidence of extreme prosperity. In other words, when you fail it is only an evidence that you have succeeded; and if private business were to conduct itself as the Government conducts business it would be highly prosperous, according to the standard of the Senator from Utah.

We come back, however, to the fact that we have got to get something here or else we are going to perpetuate this farce that has gone on for eight years.

Mr. HEFLIN. I am glad to have the suggestion of my friend from Arkansas. We are not going to be in such a hopeless condition as he suggests, however.

Mr. CARAWAY. We are if we try to pass the Willis-Madden bill.

Mr. HEFLIN. No; I am not advocating now the Willis-Madden bill, and I think the Senator is correct in saying that the Senate would not pass that bill just as it now stands at this session. Dam No. 3 ought to be built—

Mr. CARAWAY. King Tut is a very live individual compared to the Willis-Madden bill.

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. HEFLIN. I yield to the Senator from Florida.

Mr. FLETCHER. Without advocating any particular bill or committing myself to the Willis-Madden bill, I think it fair to say that the Senator from Arkansas is evidently under some misapprehension regarding the expenditures required by the Government under that bill.

Mr. CARAWAY. I read the bill, Mr. President. It was before the committee. It was explained before the committee. I do not think there is very much danger that I am under a misapprehension regarding it.

Mr. FLETCHER. I may be entirely wrong. I should like to be set right if I am.

I understand that one thing contemplated under the bill as an expenditure by the Government is to build Dam No. 3, and that that is estimated to cost about \$20,000,000. Another expenditure is to build Cove Creek Dam, which it is estimated will cost about \$32,000,000, as I understand. That is \$52,000,000. The other things are provided in this joint resolution, to complete Dam No. 2, put in the necessary units there, and complete nitrate plant No. 2. That is provided for in this joint resolution.

Mr. CARAWAY. Oh, no. The joint resolution, if the Senator will pardon me, seeks to abandon nitrate plant No. 2. It proposes to put it in a "stand-by condition," whatever that may mean, but to make absolutely no use of it at all. I should be very much more pleased with this joint resolution if it undertook to make some use of plant No. 2.

Mr. FLETCHER. No; it says:

The Secretary of War is hereby empowered and directed to complete Dam No. 2 at Muscle Shoals—

Mr. CARAWAY. I am talking about plant No. 2.

Mr. FLETCHER. I know—

and the steam plant at nitrate plant No. 2.

Mr. CARAWAY. Nitrate plant No. 2 is not to be used at all under this joint resolution. It is to be put in a "stand-by condition," whatever that may mean; and then all the power is to be sold, and experimental plants to try to make nitrates by the synthetic method are to be started.

Mr. FLETCHER. That is just what I am saying:

to complete Dam No. 2 at Muscle Shoals, Ala., and the steam plant at nitrate plant No. 2, in the vicinity of Muscle Shoals, by installing in Dam No. 2 the additional power units according to the plans and specifications of said dam, and the additional power unit in the steam plant at nitrate plant No. 2.

That is contemplated in this joint resolution.

Mr. CARAWAY. Yes; but they make no use of it.

Mr. FLETCHER. I presume that will be done under the Willis-Madden bill.

Mr. CARAWAY. That is true, but that does not change the fact that the Willis-Madden bill would eventually involve an expenditure of nearly \$300,000,000.

Mr. FLETCHER. Where would that be spent and for what purpose?

Mr. CARAWAY. To start in with, the people who pretend to know something about it contend that the estimated cost of the two new dams was entirely inadequate.

Mr. FLETCHER. Dam No. 3, at Cove Creek?

Mr. CARAWAY. Yes; that it was totally inadequate.

Mr. FLETCHER. I simply wanted to mention that, and then I understand all benefit of this plant would be lost to those people specified in the list and set out in the measure. I do not see how it could possibly cost anything approaching \$300,000,000.

Mr. HEFLIN. The estimated amount is \$76,000,000, and, of course, if the Cyanamid Co. ever got it, it would pay the Government interest on its investment.

Mr. FLETCHER. Then, I understand that the lessees under the lease set out fully in the measure would at their own expense add the necessary parts and equipment for nitrate plant No. 2 in order to make ammonium phosphate. They would do that at a cost of thirty to thirty-five million dollars, and that was not to be done by the Government.

Mr. McKELLAR. Mr. President, may I ask the Senator if he approves of the project to include, as is included in the Willis-Madden bill, a provision to build the plant at Cove Creek?

Mr. HEFLIN. Not just now. Mr. President, I want to say to the Senator from Arkansas, in reference to the Willis-Madden bill, that we are not offering that bill here now, and I do not think myself that it would pass at this session of Congress just as it is written. But I have taken out of that bill a part of it that I have had here ready to offer as a substitute for the power company's bid which was made before our special committee, and I have had extracted from that bill that portion which refers only to Dam No. 2 and plant No. 2 at Muscle Shoals. I did that for the purpose of having on hand a substitute covering exactly the property covered by the resolution of the Senator from Nebraska. If adopted it would not cost an extra dollar. The resolution of the Senator from Nebraska provides that \$2,000,000 shall be appropriated outright for the Secretary of Agriculture to use, I presume, in constructing transmission lines, and I want to say to Senators, in addition to that, that it is estimated that the transmission lines running in every direction, to be constructed by the Government under the resolution of the Senator from Nebraska, would cost over a hundred million dollars. That is more money than it would cost to complete the other dams up the river and make that river navigable all the way and have this additional power for fertilizer purposes and for other purposes, and all of that would be owned by the Government.

Mr. McKELLAR. Mr. President, the Senator said that he had used the pruning knife on the Willis-Madden bill. I want to say to the Senator that I approve of his cutting everything out of that bill that he has cut out of it.

Mr. HEFLIN. That means the using of all that we have at Muscle Shoals to make fertilizer for the farmers. I am glad to hear my friend from Tennessee say that he agrees with me on that proposition.

I believe the Senate is with me on the question of not putting the Government into business at Muscle Shoals. I want to see the Senate vote down the Norris resolution, and then let us get together and see if we can not agree on a measure that will require the making of forty or fifty thousand tons of fixed nitrogen at Muscle Shoals, and then provide for the disposition

of the power that is left. We want to do what is fair and right about this matter, but keeping before us all the time the proposition of using all the power necessary to make the fertilizer required to meet the needs of our farmers.

That was the understanding before Congress spent a dollar at Muscle Shoals. I do not want to intrude into the State of the Senators from Tennessee and cut off projects that they feel they should have some say about and tie them into a project in my State. I want us to have an understanding and agree upon these matters. Muscle Shoals is a different proposition. It has been set apart for this purpose under the original act and we have promised to deliver it to the farmers, and the question is, Are we going to do it?

Do Senators know the possibilities of power on the Tennessee River? The power possibilities on the Tennessee River alone are 4,000,000 horsepower, and here is the small amount of 80,000 horsepower at Dam No. 2. We are fighting over and quarreling over who shall get a little power here and there, and the farmer is about to be left out in the cold. Why not dedicate this plant to his use? Why not let him have it and make fertilizer, and let us get power at the other points on the Tennessee River and on the Tallapoosa River and on the Coosa River? We have millions of horsepower in my State undeveloped, and in the State of Tennessee and in Georgia, the States round about, and why are you all pouncing down upon this one project, that has no business being tied into the power projects of the country? The Government has set it apart by statute and put it upon the mountain, out of the reach of the power concerns, and some of you are undertaking to pull it down and tie it into the chain of power companies, to be peddled about the country.

Mr. McKELLAR. Mr. President, I want to say to the Senator that I agree with him entirely, that whatever amount of horsepower can be generated at Muscle Shoals, whether it be 40,000 horsepower or whether it be every particle that can be generated, should be used for the farmer. I agree with the Senator about his interpretation of the original act. I think that next to the war purposes, for which the plant was created, it was intended to be helpful to the farmers in time of peace. The only difference between the Senator and myself—and I would like to have him address himself to this question—is that I am not convinced that turning this over to the Cyanamid Co. is equivalent to turning it over to the farmer.

Mr. HEFLIN. That is not up for consideration now. I will say to my friend from Tennessee that I think the Norris resolution ought to be defeated, and I am hoping it will be defeated; I do not believe a majority of Senators in this body are ready to vote to put this Government into business in competition with private citizens, and a vote to pass the Norris resolution is a vote to desert the original act and to break faith with the farmer and to put the Government in business.

Mr. HARRIS. Mr. President, will the Senator yield?

Mr. HEFLIN. I yield.

Mr. HARRIS. The Senator speaks about putting the Government into business. The Government is spending every year a number of millions of dollars doing exactly, in the manufacture of powder and arms and other things, what they would do there at Muscle Shoals if they manufactured munitions.

Mr. HEFLIN. I understand that; the Government has a powder plant, and I think it ought to have one, because it uses that to see how much it costs to produce powder, and it could make powder in an emergency. I think the Government ought to have that plant. But the Government has no business operating a fertilizer plant in competition with the fertilizer plants of the country, unless we can not get a private individual or a company to do it. In that case, I would favor the Government operating the Muscle Shoals plant in order to carry out the purpose of the original Muscle Shoals act and compel the production of cheap fertilizer at Muscle Shoals.

Mr. FLETCHER. Mr. President, it does not bother me very much about whether the Government performs this work or private parties do it. I never lost much sleep over the question of whether private individuals are conducting a business or the Government is conducting it. The Government's business is to serve the people. If the Government can serve them best and only when private enterprise fails to do it, then let the Government do it. But the Government does not propose to manufacture fertilizer here.

Mr. HEFLIN. No.

Mr. FLETCHER. There is no proposition before the Senate or anywhere else that the Government shall undertake to carry out that purpose of the original act, the manufacture of fertilizer for the benefit of agriculture. If such a proposition were before us, I would not hesitate one minute on a question of the Government doing it instead of private enterprise doing it. But

there is no such proposition before us. Now, the Senator from Tennessee says turning it over or leasing it to the Cyanamid Co. is equivalent to the Government doing this business. If the Cyanamid Co. is a responsible concern, and I do not know whether it is or not, but I assume it is, as I have never heard anybody question that it had financial strength and ability to carry out its contracts; if the other lessee named in this bill that has been mentioned, known as the Willis-Madden bill, is a responsible concern, and I understand it is, if they will enter into a contract, a covenant binding and enforceable, good in every way, to manufacture fertilizer for the benefit of agriculture upon reasonable terms; and, as I understand, one of the terms is that they can not charge to the consumer a price which will exceed the actual cost of production plus 8 per cent of that cost—

Mr. HEFLIN. That is true.

Mr. FLETCHER. If a responsible concern will undertake to do that, and nobody else will undertake to do anything in the way of making fertilizer for the benefit of agriculture, I am not going to hesitate about where I will stand on the proposition, because I agree with the Senator that the primary purpose of Congress, and the feeling and the sentiment is and ought to be, that this great natural resource at Muscle Shoals should be devoted to what we have said in the law it should be devoted to, making nitrates for explosives in time of war and fertilizer in time of peace. That is the thing we ought to strive for. If anybody has any other proposition better than the Willis-Madden bill, or equal to it, let him come forward with it. If any individual is willing to undertake to carry out this plan and this purpose originally intended by Congress, to utilize the power at Muscle Shoals and the facilities and the plants there, that great investment that we have already made there, which is yielding nothing, costing us \$5,000,000 a year to care for, I say, let us have some proposition like that, and we will get somewhere with this business. But there is not a proposal in this resolution, there is not a step in this resolution, in my judgment, that leads to that end.

Mr. HEFLIN. The Senator from Florida is right.

Mr. McKELLAR. Mr. President, I just want to give some information to the Senator from Florida. While the original resolution does not provide for the manufacture of fertilizer, as was contemplated in the original act, in my judgment, still I want to say to the Senator that I have introduced an amendment to this Norris proposal to let the Government carry out the intent and purpose of the original act in that regard; in other words, for the manufacture of fertilizer by the Government in accordance with the original act of Congress.

Mr. HEFLIN. Mr. President, the Senator from Florida is right; the farmer is not even suggested in this resolution until it is provided "for the sale of such current"—at Muscle Shoals—and "after deducting the cost of operation"; listen to that; that has to be done by the Government; "maintenance, depreciation, and the cost of constructing transmission lines." If there is anything left after that, it "shall be paid into the Treasury of the United States, and the same shall be segregated and set aside as special fund for developing, manufacturing, and introducing improved fertilizers and fertilizer practices for the purpose of reducing the cost and increasing the efficiency and use of fertilizers on American soils."

How much would be left after you had had expended at the hands of the Government \$100,000,000 to construct transmission lines? It is estimated that it will cost that to build them in every direction, and the Senator from Nebraska provides for that. Depreciation, upkeep of property, all expenses, are to come out of the sale of the current, none of it being used to make fertilizer, and whatever is left, if there is anything, is to be used ultimately, at some far-off time, for the benefit of the farmer.

Mr. President, if we are going to do that, the farmer will not care whether the Muscle Shoals project was ever started. It reminds me of Private John Allen's story about the boys who were discussing the old man's estates. He had died, and they were sitting up quarreling about who would have this and who would have that property. Finally, about 11 o'clock one night, one of the younger boys yawned and said, "You all quarrel so much and fuss so much about what pa left that sometimes I almost wish he hadn't died." [Laughter.]

So we will have the farmers wishing sometime that we did not have any Muscle Shoals project. Some Senators are always talking about what we are going to do for the farmer, and yet we are not doing anything with this project to aid him in the least.

Perhaps some Senators have heard the story that illustrates the point: Rastus said to his friend, "I don't know what I am going to do with my wife." His friend said, "What's the mat-



ter?" Rastus said, "She is all the time after me for money. It's money in the morning, money at noon, money at night. The last thing I hear before I go to sleep is money, money, money." Sam said, "Well, Rastus, what does she do with it all?" Rastus said, "I don't know; I ain't never give her none yet." [Laughter.]

That is exactly what has happened to the farmer. He has asked and asked that you keep faith with him and let him have fertilizer at Muscle Shoals, but you have not done it yet. The question is, Are we going to do anything for him now? We have the opportunity here. This plant is located in my State, the greatest State in the Union, in the heart of Dixie. It would do your soul good to go down there and hear that water roar on the Tennessee River and in the springtime to see the flowers bloom and inhale the rich perfume and hear the birds sing. Those birds have been singing down there for a long time. They have been singing for eight years and the flowers have bloomed and withered and died eight times since Muscle Shoals has been up for consideration in this body and we have not disposed of it yet. Now, we are about to wind up "the old man's estate" and we are quarreling about who shall get this and who shall get that and whether we are going to have an equitable distribution of power, while the farmers are standing out there listening and looking and asking "Where do we come in? What about us and our fertilizer problem?"

Mr. President, the project looking to a lease of this property for the purpose of making fertilizer, compelling the making of fertilizer, is indorsed by every farm organization in the country. Not one of them indorses the project of the Senator from Nebraska. The farmers are not for his measure. They ought to know what they want. They know that there is no fertilizer for them under his measure.

Chester Gray, the head of the Farm Bureau people, is here in Washington. He is a very able, clever, fine gentleman. The Senator from Nebraska has criticized him. I have not found any fault with him. He has taken issue with the able and conscientious Senator from Nebraska. He has shot a number of holes in the Senator's resolution, and he has told why the farmers are opposed to it. He has suggested what the farmers want. He has stood, in season and out of season, demanding that fertilizer be made at Muscle Shoals and that the project be not turned into a power proposition. That has been the cry of Mr. Gray. He has done what the farmers have asked him to do and has been carrying on his propaganda throughout the country. I have not been able to find where he has done anything wrong in trying to get all the information he could as to how the farmers stand on the question. I like Mr. Gray, and I think the farmers have a right to have some one here looking out for matters which pertain to them and their interests. This man Gray is one of the brightest and best that they have ever had here.

My good friend from Nebraska took a little fling at Ed. O'Neil, a farmer friend of mine in Alabama. He has a farm down there close to Muscle Shoals. It was even intimated that he wanted to dispose of it in order that he could get a good price for it, impugning the motives of this able and distinguished citizen of my State, this very successful farmer of north Alabama. He is against the resolution of the Senator from Nebraska. He is in favor of some bid that will require the making of fertilizer at Muscle Shoals. He wants a lease that will compel the manufacture of fertilizer. He wants a bill passed that will forfeit the lease if they do not make it. Is there anything to be questioned in that position? It would seem to me that he is right, that he ought to be that way, and that he and the other representatives of the farmers ought to contend for that proposition. I have contended for it, and I am going to continue to contend for it.

Senators, I would dismiss Muscle Shoals from the power projects all over the country, and I would say, as Paul said, "This one thing I do." We have dedicated this project to the use of the farmer for fertilizer purposes in time of peace, and now we are going to make it over to him. We are going to do it by a solemn statute enacted by the Congress. We are going to require that that power be used to make fertilizer for the farmer, to cheapen fertilizer for the farmer, to lessen his farm burden. We have it in our power to do it.

Mr. BLACK. Mr. President, will my colleague yield?

Mr. HEFLIN. I am glad to yield to my colleague.

Mr. BLACK. Before the Senator leaves the subject of Mr. O'Neil, who was somewhat criticized by the Senator from Nebraska [Mr. Norris], I would like to state that along about 1816 General Jackson made a trip down to Alabama fighting Indians. His constant companion was General Coffey on practically every step he made. General Jackson saw the great utility and the great value of Muscle Shoals and prevailed upon numbers of citizens to go down there and cast their lot with the idea of

getting the benefit of that great national resource. General Coffey was one of them. General Coffey settled some land there at that time. The farm which the Senator says Mr. O'Neil desires to see enhanced in value is the exact farm which was settled by General Coffey, the grandfather of Mr. O'Neil.

Mr. HEFLIN. I thank my colleague for that statement.

Mr. President, I have a vast number of telegrams on my desk, and I am going to read just one of them from the farmers of Alabama.

Norris Government-operation proposal for Muscle Shoals promises no fertilizer for Alabama farmers. We urge you to fight for Cyanamid offer.

They know that it is a good proposition to make fertilizer and that we can compel fertilizer to be made at Muscle Shoals. What I want to make plain is that I do not want to leave it in the discretion of the Secretary of Agriculture or the Secretary of War as to what we are going to do at Muscle Shoals. I want to name it in the bond. I want us to put it in the law. I want them to be instructed and directed to make fertilizer, so many tons a year, year in and year out. We can and we should do that.

Let me bring another matter to the attention of Senators. The American Cyanamid Co. is owned and officered by American citizens. In 1907 I had a bill passed through the House granting them the privilege of constructing a dam across the Coosa River in my congressional district, and they agreed to make fertilizer there as far back as 1907. They had not then located a plant in Canada. What do you suppose happened to them? President Taft vetoed the measure after it had passed both Houses of Congress. What did the American Cyanamid Co. do? They were driven out of America—think of that—a great company like that wanting to do business in our country but driven out, so they located in Canada, just over the line.

They started business there and from that point they made the cyanamide fertilizer ingredient and shipped it little by little until they are doing business all over the world. They shipped out in the first year of their business a little over 600 tons. Then they went up to 12,000, then to 25,000, and now they have reached 75,000 tons a year, and they have done that since 1916, in a little over 10 years.

So, Mr. President, there is no longer need of experimenting. We have already experimented. We know what we can do. I said to Mr. Hooker, who testified before our committee, "You say you can cut the expense on fertilizer down from \$28 a ton to \$15?" "Yes; \$14 or \$13. We can all do it." He testified that before our committee and nobody disputed his statement. "Why do you say you can do that?" He had in mind the cheap power there and the equipment already established. He said, "The old companies have their old machinery, they have their old processes, they have their heavy overhead charges, and they will not take on new propositions; they do not want to be disturbed in the old rut where they are working; and we, with new life and new processes and new machinery and new equipment can cut the cost in half." Here is an opportunity to use a project that we have, which was dedicated to that purpose in the outset. Why not use it?

I do not want to turn this proposition over to the Secretary of Agriculture to do one thing and another with it, and, if he has any money left, to experiment with the fertilizer proposition, and leave it to him as to how many tons he will have made. I want us to direct in the law exactly what shall be done, to prescribe the amount he shall make, the price at which he shall sell it. It is the only opportunity in the world where we have a chance to help fix a reasonable price to the farmer. Let us have it understood, because the Cyanamid Co.'s bid proposes to make only 8 per cent above the cost of production.

What is Mr. Bell doing with his Cyanamid Co. now? He is employing the cyanamide process. It is said here that that process is obsolete. It is said that it is old and out of date. Germany has the cyanamide process and the Haber process, too. She is using both and making money out of both, and by the combined power of the two has driven Chile, with her nitrates, out of German territory. What is the Cyanamid Co. doing with the cyanamide process? It is selling the nitrogen at 7.6 cents per pound and the synthetic process is selling it at 10 cents a pound and has had to go out of business. If Germany can compete with the synthetic process, their price being nearly 3 cents above the cyanamide process, and the people using the synthetic process have to quit, why should we be driven to the synthetic process and abolish the cyanamide process, when those people are making money out of it and their business has gone in 10 years from 653 tons to 75,000 tons?

Mr. SHEPPARD. Mr. President, may I ask the Senator a question?

Mr. HEFLIN. I am glad to yield to my friend from Texas.  
Mr. SHEPPARD. Does the Cyanamid Co. make a finished fertilizer product?

Mr. HEFLIN. Yes; they make a finished fertilizer called ammo-phos, and that has in it phosphoric acid and nitrogen. They can put potash in it, and they sell just worlds of it. They ship ammo-phos around the world.

Mr. SHEPPARD. Then they make both nitrogen as an element of fertilizer and ammo-phos as a finished fertilizer?

Mr. HEFLIN. They do.

Mr. TYSON. Mr. President, may I ask the Senator a question?

Mr. HEFLIN. Certainly.

Mr. TYSON. How much does the Cyanamid Co. sell in this country that is used by the farmers of the country?

Mr. HEFLIN. About 52,000 tons, I understand.

Mr. TYSON. Do they use that amount in this country?

Mr. HEFLIN. Oh, yes.

Mr. FLETCHER. It is sold to the fertilizer factories and not to the farmers.

Mr. HEFLIN. Yes; it is sold to the fertilizer factories.

Mr. FLETCHER. It is not sold to the farmers directly.

Mr. HEFLIN. It is used by the farmers but sold through the factories. I had a talk with Mr. Bell, and what he wants is to be delivered from selling this product through the factories so that he can go into open competition with them and let the farmer get the benefit of the reduction in price. He is handicapped now, and he will waive his royalties and go into the business in competition with those people.

Mr. SHEPPARD. Mr. President—

Mr. HEFLIN. I yield to the Senator from Texas.

Mr. SHEPPARD. Does the Cyanamid Co. propose to make finished fertilizer at Muscle Shoals and sell it to individual farmers?

Mr. HEFLIN. They propose to sell it to anybody at the cost of production, plus 8 per cent profit.

Mr. FLETCHER. They propose to sell it to the consumers; and cyanamide combined with phosphate makes ammonium phosphate, which contains from 62 to 63 per cent of plant food.

Mr. SHEPPARD. Do I understand that the fertilizer product which the Cyanamid Co. makes contains no potash?

Mr. HEFLIN. Ammo-phos contains no potash; it is a good fertilizer without potash; but they can use potash with it. I will remind the Senator from Texas that I think we have prospects of getting a good potash supply from his State; I hope so. I remember the Senator from Texas secured the passage of a very important measure giving the Government the opportunity to experiment with potash in his State, and I understand they are making some headway.

Mr. SHEPPARD. Mr. President, they are making substantial headway. The exploration which the Government was authorized to make by the measure to which the Senator from Alabama refers is now in its second year, and the Bureau of Mines and the Geological Survey are of the opinion that there is a definite and encouraging prospect for the discovery of a bed of natural phosphate in the southwestern portion of the United States equal to the existing beds in Germany and France. At the present time, however, Germany and France have a monopoly.

Mr. HEFLIN. I am glad to have that information from the Senator from Texas.

Now, I wish to make another suggestion. When the World War was over, and France secured control of some of the potash beds of Germany, it looked for a time as though we were going to get cheaper potash, but with all the bitterness and hatred that existed between those two countries the interested parties got together, formed a combination, and put up the price of potash in Germany and in France. There is no competition between them. Recently I informed the Senate about a world trust to control the price of nitrogen. Out on the Mediterranean Sea, companies in the United States with the foreign companies agreed as to how much should be produced, what territory should be supplied by this group or that, and the price that should be paid. I wish to say in this connection, Mr. President, that the Cyanamid Co. refused to have anything to do with it, and, so far as I can ascertain, it is the only big company in the United States that is free and independent of the combines that are operating all around us.

Now, as I said a moment ago, we have passed the experimental stage.

Mr. SIMMONS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from North Carolina?

Mr. HEFLIN. I yield to the Senator from North Carolina.

Mr. SIMMONS. The Senator from Alabama knows that in all the fights we have had in this body regarding Muscle Shoals, I have always insisted upon the right of the farmer

to have that great power down there dedicated to the manufacture of fertilizer.

Mr. HEFLIN. That is very true.

Mr. SIMMONS. The only difficulty I have about the Senator's proposition is that I do not see how that result will be accomplished through the contract to which he has just referred.

I understood the Senator to say that under the Madden measure, if Muscle Shoals were leased to the Cyanamid Co. they would be under contract to produce 10,000 tons of fertilizer the first year?

Mr. HEFLIN. I think the amount is 10,000 tons.

Mr. SIMMONS. And then, in subsequent years, they would increase that amount to 40,000 tons.

Mr. HEFLIN. As to the subsequent years that is correct, but I am not clear as to the first amount. I think I am right, however.

Mr. SIMMONS. Now, I want to ask the Senator what would the Cyanamid Co. do with the surplus power during the first period, and what would they do with the surplus that was left at the end of the period when they were to produce 40,000 tons? I want every ounce of that power devoted to making explosives in time of war and fertilizer in time of peace. If for the first year the company under their contract is to be required to produce only 10,000 tons, I want to ascertain from the Senator from Alabama, what are they going to do with the surplus power during that year.

Mr. HEFLIN. Use it for other purposes, I suppose. The Senator from North Carolina and I are in accord on some of the principles involved. We want to use every ounce of horsepower there for making fertilizer and that company is now willing to agree to make 50,000 tons of concentrated fertilizer.

Mr. SIMMONS. But let us see about that. The first year they are going to make only 10,000 tons. What are they going to do with the surplus power? If they make arrangements during that year to utilize the surplus power for some other purposes—

Mr. HEFLIN. But we must see to it that they do not do that.

Mr. SIMMONS. They are not going down there and take charge of this great plant merely for the purpose of making 10,000 tons of nitrogen.

Mr. HEFLIN. The Senator was not in the Chamber a moment ago, I think, when I discussed portions of the Cyanamid bid. I have taken out of the Madden-Willis bill certain provisions, which were embodied in a bill that I introduced as a substitute for the power company's bid, coming from the special committee of the House and Senate, and I have confined my proposal to plant No. 2 and Dam No. 2 and the power properties around Muscle Shoals.

Mr. SIMMONS. What is the developed power now?

Mr. HEFLIN. The primary power at Dam No. 2 is about 80,000; that is, it is capable of producing 80,000 primary power continuously.

Mr. SIMMONS. The Cyanamid Co. propose the first year, under their bid, to produce only 10,000 tons of nitrogen.

Mr. HEFLIN. Yes.

Mr. SIMMONS. What I am curious to know is what they are going to do with the surplus power not required for that production.

Mr. HEFLIN. I want the Senator to help me say what they are going to do with it.

Mr. SIMMONS. I am willing to help the Senator say that. If the Senator will bring a measure before this body that will bind the contractor to use as much of that power as is necessary to furnish all the fertilizer the American farmer needs, I will vote for it very quickly.

Mr. HEFLIN. I will be glad to do that. The Senator and I can get together on that.

Mr. SIMMONS. But I am afraid that this proposition does not do that. Suppose we follow that up. The Senator does not believe they are going to lease this plant and the power there for the purpose merely of making 10,000 tons or even for the purpose of making 40,000 tons. They are going to lease it for some other purpose; and they will not obligate themselves to produce more than 50,000 tons. I believe the Senator said that they are willing to agree to make 50,000 tons.

Mr. HEFLIN. They say they will do that; they have raised the maximum 10,000 tons, making it 50,000 tons, and I think we can make them raise it more.

Mr. SIMMONS. But if they raise it to 50,000 tons that will still leave surplus power, will it not? And what are they going to do with that power?

Mr. HEFLIN. I do not know how much power it will take to make 50,000 tons of fixed nitrogen.



Mr. SIMMONS. I understood the Senator to say that there is sufficient horsepower to make 80,000 tons.

Mr. HEFLIN. No; I said the plant has a capacity of 80,000 horsepower; the dam will produce 80,000 horsepower. The Senator misunderstood me. I did not mean that they could take 10,000 horsepower and make 40,000 tons of fixed nitrogen; I do not know how many horsepower will be required to enable them to fill their contract of 50,000 tons. I think it will take about all that is produced at Dam No. 2, and maybe more.

Mr. SIMMONS. It will take about all of it to fill their contract of 50,000 tons?

Mr. HEFLIN. I think it will take about all the horsepower from Dam No. 2.

Mr. SIMMONS. Then, it will take only one-fifth of it to produce 10,000 tons, which they are to produce the first year, and not quite one-half of it to produce the 20,000 tons they are to produce the second year. The question is what they are going to do with the surplus power. Are they going to let it lie idle?

Mr. HEFLIN. No.

Mr. SIMMONS. If they are not going to use it for fertilizer purposes, then they are going to use it for power purposes, are they not?

Mr. HEFLIN. Of course, what they do not use for fertilizer purposes they will use for some other purpose, but what I am suggesting now is that we defeat the joint resolution of the Senator from Nebraska and then see if we can not get together and provide a bill to do exactly what we want done. I believe that Mr. Bell will make us an offer on plant No. 2 and Dam No. 2 and take the property that is there and use it all if necessary in making fertilizer.

Mr. SIMMONS. I will be very glad to join the Senator and others who agree with him and me with a view of seeing if we can not draft a bill that will secure a contract from somebody—I do not care whether it be the Cyanamid Co. or some other company—who will devote as much of that energy as is necessary to supply the American farmer with a cheap fertilizer. I am not going to say, however, that I would be willing to agree that it should be cyanamide, because I am not quite certain that cyanamide is the best form of nitrogen that can be produced there artificially.

Mr. HEFLIN. Mr. Bell agrees to use either the Haber process or the cyanamide process.

Mr. SIMMONS. That is a great advance upon the position taken by the Senator's colleague [Mr. BLACK] on yesterday, as I understood him.

Mr. HEFLIN. My colleague said the same thing on yesterday; the Senator did not hear all of his speech. He said that they would make it under either process, the one that is cheapest and best. They said that they would employ whatever process will make it cheapest.

Mr. SIMMONS. Who is to determine what process they will employ?

Mr. HEFLIN. We can determine that question in the law that we pass if we want to.

Mr. SIMMONS. Then, as I understand, the Senator is not here advocating the Madden bill?

Mr. HEFLIN. Not at this time. It is not now before the Senate.

Mr. SIMMONS. He is not advocating the joint resolution of the Senator from Nebraska?

Mr. HEFLIN. No. I am opposing it as it stands.

Mr. SIMMONS. He is not advocating any bill that is before Congress, but is advocating a principle.

Mr. HEFLIN. As the matter stands just now, that is true. The bill that I support must make it absolutely certain that Muscle Shoals is going to be used to make fertilizer.

Mr. SIMMONS. I agree with him in the principle that he is advocating, and I should be glad if we could prepare a bill and secure a contract which would carry out that principle.

Mr. HEFLIN. That is exactly what I want; and I am glad to have that statement from the able Senator from North Carolina. I have said this outside, and I say it here: I regard him as the ablest legislator in either branch of Congress; and I want him to give us the benefit of his great talent in helping to work out something. I want the Senators from Georgia and Mississippi and Florida and Texas—all of us—to get together with some of our western friends on the other side and see if we can not frame a measure that will do what we promised to do in the outset, and keep faith with the farmer, and fight the Fertilizer Trust with this project that was dedicated for that purpose, and not permit anybody—I do not care who they are—to take that project away from the purpose for which it was intended at the beginning.

The thing to do is this: The Senator from Nebraska has a joint resolution to which the farmers are opposed. The tele-

grams that I have received, and that my colleague has received, denounce it. They say there is no fertilizer in it for the farmer; and every farm organization in the country is against it. They are for a private lease, specifically setting out that they will make this fertilizer under the direction of Congress. Now, it looks to me as though we might get together on that, and I believe we can, and that is the purpose of the speech I am making—and to show that I am not quibbling over what sort of disposition shall be made of this plant. I am not wedded to any particular theory. I do not care whether it is the cyanamide theory or some other theory. I do not care whether Mr. Bell gets it or somebody else; but, whoever gets it, I want us specifically to set out in the law that they have got to devote it to making fertilizer for the farmers or cancel the lease.

I agree with the able Senator from North Carolina. I will use every horsepower there, Dam No. 2, plant No. 2, water power and steam power, to make fertilizer in competition with the Fertilizer Trust, and try to enable the farmers, who produce that which feeds and clothes the world, to produce their farm products at the lowest cost possible.

Mr. SIMMONS. Mr. President—

Mr. HEFLIN. I yield to the Senator from North Carolina.

Mr. SIMMONS. In discussing this matter yesterday, I so nearly despaired of getting any company to agree to lease this power and devote it to the manufacture of fertilizer, except to a limited extent—and we do not want a limited extent; we want it broad enough and big enough to supply the farmers of the country, and I think very nearly enough could be made down there to supply the farming requirements of the country—despairing of getting a private contractor to do that, my mind was running in the direction of a proposition that, failing in that, the Government should continue to own the property, and, if necessary, lease the power and devote the income to the manufacture of fertilizer. I would infinitely prefer, however, leasing it to some private company that would guarantee satisfactorily to devote the energy developed down there and devote plant No. 2, which is run now, I believe, by steam, to the manufacture of fertilizer, not only of ammonia but converting it into usable fertilizer by adding phosphates and potash. I think that would be a very much better proposition; but I have not understood, and I do not understand yet, that there is any bill before Congress at the present time that would accomplish that result.

Mr. HEFLIN. The Senator and I are in agreement on the principle involved. As I stated a little while ago, most of that bill is a bill that I had here to offer as a substitute for the power company's bid, and in its present form it is not as complete as I would have it, but it is the basis for a working agreement on this matter.

I am certain that we will get one bid under it, at least, from Mr. Bell, who represents the Cyanamid people. After we have done that, if we do not get the right kind of a bid, let us get up another measure of some sort, and if we have to resort to Government operation, let us set out a way in which we will do it so that practically all of this power will then be used to make fertilizer for the farmer.

Under the plan of the Senator from Nebraska, I submit to the Senator from North Carolina, the transmission lines are to be constructed by the Government, and they are to be paid for with the money that they take in from selling power, and if there is any money left after doing that and paying interest on the investment, and so forth, they will experiment with fertilizer. I submit to the Senator that it is variously estimated that the transmission lines running out from Muscle Shoals in every direction will cost from \$100,000,000 to \$150,000,000. The cost of them is simply tremendous.

Mr. SHEPPARD. Mr. President—

Mr. HEFLIN. I yield to the Senator from Texas.

Mr. SHEPPARD. Am I correct in inferring that if a satisfactory private contract with a private corporation can not be secured the Senator then would be willing to consider the use of all this horsepower by the Government under the supervision of the Government for making fertilizer?

Mr. HEFLIN. I would. I think that is fair enough. I want to exhaust every means at my command to lease that power to a private individual. I believe in that; but if we can not do that, then there is nothing else to do but to have the Government operate it. Then I would want to direct, in the joint resolution we passed, that all of that power shall be used to make fertilizer for the farmer, and do away with this peddling out of power that is provided for in the measure of the Senator from Nebraska, and taking the money gathered in to build more transmission lines. After you get those transmission lines established they will come up and say, "Why, those transmission lines cost \$150,000,000. They belong to the Government."

The whole business belongs to the Government. Your fertilizer proposition is out of the question. You can not make fertilizer there now. You must have that power to send over these lines, or all that expenditure is lost."

Senators, I know what is going to happen there. It is another way of getting away from our pledge to make fertilizer at Muscle Shoals; another way of losing the farmer in the shuffle.

The Senator from Nebraska is conscientious. He does not believe that this Muscle Shoals project can be made into a fertilizer proposition. We disagree. I conscientiously believe that it can. I know that we have already produced cyanamide in abundance there. I know that farmers around there have used it on their soil. I know that one farmer, as I said yesterday, used it and produced 2,300 pounds of seed cotton on 1 acre, and that is going some; and the acres cultivated alongside of it, those who did not use it, which did not use any fertilizer, produced on an average 100 pounds of seed cotton to the acre.

Senators, I will state again what Doctor Howe, Senator NORRIS's witness, testified before our committee. I asked him the question:

Doctor, is the Cyanamid Co. doing a flourishing business?

It certainly is.

Is cyanamide fertilizer good?

It most certainly is.

Is it a good plant food?

Certainly.

Senators, I repeat, Mr. Hooker, a successful fertilizer maker, testified that he could cut the price of fertilizer in half at Muscle Shoals, and he said to the other gentlemen who were bidding for Muscle Shoals, "We can all do it," and nobody disputed his statement. Doctor Curtis says the price of fertilizer can be cut in half there. Ford's chief engineer, Mr. Mayo, said:

It is our purpose, and we believe we can cut it in half there.

So here we are, with all this testimony from expert men telling us what we can do; and yet we are figuring on voting for a joint resolution that seeks to put up power lines, transmission lines, and use the money that was intended to make fertilizer in establishing more transmission lines, until we have a perfect network of them, and then it will be said, "You can not make fertilizer now. If you make fertilizer now, you will lose all the investment you have in these transmission lines."

I beg Senators to help defeat that joint resolution, and let us wipe the slate clean, and frame this measure, and say to Mr. Bell and Mr. Hooker and the others, "Who of you will come now and make us a bid on that? Put up or shut up." And then, if we can not do anything, we will write one that really has fertilizer in it and let the Government operate it.

The farmers of my State are wiring me, they are wiring my able colleague, to vote against the Norris proposition. They say that it has no fertilizer in it for the farmer. The farm bureau agents, the farm association presidents, all around, are wiring us to oppose that measure. Senators, we have it in our power to wipe the slate clean of the plan to make this a power proposition and turn it over to the manufacture of fertilizer for the benefit of the farmers. That is what it was intended should be done in the outset.

Mr. SIMMONS. Mr. President—

Mr. HEFLIN. I yield.

Mr. SIMMONS. I do not want to get into any controversy with the Senator from Alabama about this matter, and it is probably foreign to the line of argument that he is pursuing; but I think some people have imposed very much upon the Senator when they have led him to believe that it would cost \$150,000,000 to provide transmission lines for the amount of energy that can be produced at Muscle Shoals, unless it is very much greater than I think it is.

We have developed in North Carolina nearly 700,000 hydroelectric horsepower. Not a single one of those plants makes any cyanamide. There is no plant in the United States to-day making any cyanamide, as I understand, although that process has been in operation now for probably 20 or 25 years, or maybe longer; I do not know how long.

I do not quite agree with the Senator that we ought to bind ourselves down to a contract that provides for cyanamide or the Haber process, or the synthetic process. It might be that all of them would prove inadequate. It might be that none of them would furnish a fertilizer that was as satisfactory as the nitrogen we are now getting from Chile. I would want them to agree that they would employ their plant in experimentation, notwithstanding the fact that the Senator's colleague seems to

object to any experimentation at all by the Government or by individuals.

Mr. BLACK. Mr. President, will the Senator yield there?

Mr. SIMMONS. I said that facetiously.

Mr. BLACK. I do not object to experiments. I just object to limiting it to experiments. We can not live on experiments.

Mr. SIMMONS. I said that only facetiously. They ought to experiment. I will agree to that. They ought to experiment until they find that they can manufacture a fertilizer that will be satisfactory and will accomplish the purpose we have in view and can be sold at a price less than that for which we are now buying our nitrogen.

I have heard a great deal about cyanamide. I have heard some very experienced producers of fertilizer decry it. Some of them condemn it. I do not doubt that it may be used safely upon certain soils and in the production of certain crops, provided you are very particular in mixing it with the other elements of fertilizer and do not get too much. If you get too much, you are certain to produce bad results.

Mr. McKELLAR. You will kill the plant.

Mr. SIMMONS. Yes; you will kill the plant.

Mr. HEFLIN. You will do that with any of them if improperly used.

Mr. SIMMONS. That was done in my State several years ago to a very considerable extent.

Mr. HEFLIN. You can burn up a plant with any fertilizer if you put in too much of it. I was reared on the farm and I have put it in the furrow myself.

Mr. SIMMONS. You would have to put on a good deal of the ordinary nitrate of soda to burn up a plant.

I do not know whether that is altogether feasible or not. I do not know whether it can be produced as cheaply as the Senator thinks it can be. I do not know whether it will be safe, except for certain soils. I want a fertilizer that is adapted to all kinds of soils. The Senator says it is good in his State. It may be good in the western part of my State, where there is a clay subsoil, but in my section, where we have sandy and alluvial soil, I do not think it is, from what I have heard from the dealers in fertilizer in my town and in my section of the State, and there are a great many of them. So that I am not enamored of the cyanamide process. If these gentlemen will not agree, probably somebody else will. I do not think we ought to confine ourselves to Mr. Bell's proposition.

Mr. HEFLIN. I do not, either.

Mr. SIMMONS. I do not think we ought to pass a bill that will be in the interest of Mr. Bell's offer.

Mr. HEFLIN. I do not think we should, unless his bid does what we want done and takes care of the farmers' interest in the matter.

Mr. SIMMONS. I think we ought to write a proposition based on principle.

Mr. HEFLIN. I agree with the Senator.

Mr. SIMMONS. And then, if Mr. Bell can come up with a satisfactory proposition and comply with the requirements to accomplish the purposes of that principle, as laid down in the bill, let Mr. Bell have it, if we do not let somebody else have it.

Mr. HEFLIN. The Senator and I are entirely agreed on that.

Mr. SIMMONS. I just rose to say that I was not certain about the cyanamide process, and I do not think it would be safe for us to proceed upon the idea that cyanamide will produce the results the Senator and his colleague seem to think will be produced.

I think, with all the horsepower that has been developed in this country in recent years, including most of the 7,000 hydroelectric horsepower that has been developed in my State, the fact that none of the companies have undertaken to manufacture this product would indicate to my mind that it was not in very great demand in this country. I will say further to the Senator that last year I did hear a fertilizer man in whom I have great confidence, and with whom I was discussing the cyanamide proposition, say that there was no trouble about getting all the cyanamide you wanted, that you could get plenty of it, that it was a drug on the market, but that the dealers did not want it, except to a limited extent.

Mr. HEFLIN. He certainly was mistaken.

Mr. SIMMONS. He said to a limited extent they use it for making fertilizer for certain crops. I do not recall exactly the crops, but my impression is that one was the potato crop.

Mr. HEFLIN. He was dealing in fertilizer for another concern.

Mr. SIMMONS. No; he was not; he was mixing fertilizer. That is what they all do; they all mix fertilizer. That is what this man would do who rents this power down there; he would make part of the ingredients, nitrate, but he would have to buy



his phosphate and his potash from somebody else, and then he would assemble and mix them, just as Ford assembles the parts of his automobile and has a complete car.

Mr. HEFLIN. And he would have a complete fertilizer.

Mr. SIMMONS. He would have a complete fertilizer.

Mr. FLETCHER. May I remind the Senator from North Carolina, the ranking member of the great Committee on Finance, that it is well to bear in mind a fact which I am sure the Senator has not realized yet; that is, that there is a duty of 5 per cent on cyanamide under the present law. The tariff duty on ammonium phosphate, which contains about 60 per cent of plant food, is \$30 a ton. If you want to help the farmers of this country you can begin right there. Thirty dollars a ton on this material is the tariff imposed under our present law.

Mr. SIMMONS. I want to say to the Senator that I would imagine, with everybody now pretending to be anxious to help the farmer, that whenever we can get another tariff bill before the Congress of the United States—and that seems to be a rather remote possibility, because our friends on the other side will not permit the subject to come to a vote in either House—

Mr. FLETCHER. Let us get a change in administration.

Mr. SIMMONS. Whenever we can bring about a condition where the Democrats can control legislation in both Houses, I have no doubt that those duties will be repealed, if brought to the attention of the committee.

Mr. BRUCE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Maryland?

Mr. HEFLIN. I yield.

Mr. BRUCE. Perhaps it may be of a little help to the Senator from Alabama in dealing with all the phases of this question to realize how my constituents in Baltimore, which is a great center for the manufacture of fertilizer, feel about this question.

If the Muscle Shoals plant is to be leased to some private corporation, and my constituents do not care to what corporation it may be leased, provided it is strong enough to meet its obligations under the lease, and provided that the rentals are just and proper rentals, which the Government has a right to expect.

Of course, the Muscle Shoals plant would then come into competition with the private enterprises in Baltimore, but that is a matter of which they would have no right to complain. It would simply be one great private enterprise competing with other private enterprises. But my people do object, and object most strenuously, to the idea of the Government taking over the operation of this great plant at Muscle Shoals and entering into competition with its own citizens, a competition which, as far as they are concerned, would not be a fair competition at all, because everybody knows that when the Government enters into any business operation of that kind it is perfectly regardless of deficits at the end of the year. In other words, under such conditions as this all the resources of the Federal Government would be at the disposal of the Government itself for the purpose of making anything in the nature of private competition utterly impractical. That point of view has probably been brought to the attention of the Senator from other sources.

Mr. HEFLIN. No; the Senator is the first one who has suggested that.

Mr. BRUCE. I am speaking for a city in which the fertilizer business is one of the important lines of business.

Mr. HEFLIN. I am glad to have the Senator's suggestion.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. HEFLIN. I yield.

Mr. HARRISON. The Senator from Florida just called the attention of the Senate to the tariff on ammonium nitrate, and suggested that we could help the farmer by getting a reduction on that item. I desire to state that at the time the present tariff law was up for consideration in the Senate, a Republican Senator, a member then of the Finance Committee, offered the amendment to place a duty of 1 cent a pound on ammonium nitrate, and, on a record vote on this question, every Republican, with the exception of the distinguished Senator from Wisconsin [Mr. LA FOLLETTE], according to this list, and the Senator from Nebraska [Mr. NORRIS] voted with the Democrats against the increase.

Mr. NORRIS. Where did the Senator place the Senator from Nebraska? I want to know where I am.

Mr. HARRISON. The Senator voted against the increase.

Mr. FLETCHER. That is 1 cent on ammonium nitrate, but the tariff on ammonium phosphate is 1½ cents a pound, I think the Senator will find, which makes it about \$30 a ton.

Mr. HARRISON. The Senator from Idaho also voted with the Democrats. Three Republicans voted with the Democrats.

Mr. NORRIS. That is a demonstration that the Democrats were in mighty good company.

Mr. SIMMONS. We always feel that the Senator from Nebraska over there is in fine company when he votes with us, as he has been doing frequently in recent years.

I now recall that controversy. Of course, the friends of the Fordney-McCumber bill pretended at that time that they were friendly to the farmer and wanted to relieve all of the products that he had to buy of a duty; but it seems that in this particular they did not carry out that promise.

I think now that there is such an anxiety on the part of the other side of the Chamber to court the farmer that if we could get a tariff bill up during this Congress they would probably consent to a repeal of that provision in the law; and I had hoped we might get one up during this Congress, and I still entertain hopes that we will get it up during this Congress, while the Republicans are in a good humor to do something for the farmer, because they want the farmer to do something for them next November.

Mr. SACKETT. Mr. President, will the Senator from Alabama yield?

Mr. HEFLIN. I yield.

Mr. SACKETT. I would like to ask whether there is anybody who makes ammonium phosphate in this country except the Cyanamid Co. Does the Senator know? I have not heard of anybody else who does.

Mr. HEFLIN. I am not informed as to that.

Mr. SACKETT. I wonder what would become of their bid on Muscle Shoals if we took off that duty of \$30 a ton on ammonium phosphate, if they are the only beneficiaries. Does the Senator think they would continue to bid?

Mr. McKELLAR. They are a Canadian company.

Mr. HEFLIN. They are doing business in Canada, but the company is owned and officered by American citizens.

Mr. SACKETT. But they make ammonium phosphate at Warners, N. J.

Mr. HEFLIN. They make some there.

Mr. SACKETT. That is all they make; the rest is cyanamide that is sent down there and mixed with phosphate. If you take off this duty of \$30 a ton, is it the Senator's definite information that they will continue this bid for Muscle Shoals?

Mr. HEFLIN. Oh, yes; I am satisfied they would. They are having to pay now to get their stuff in here, and if they come in to do business they will be relieved of that tariff.

Mr. NORRIS. They make it here; they do not pay any tariff on it.

Mr. SIMMONS. They make it in this country.

Mr. HEFLIN. They make some of it in this country. I do not agree that they make it all here.

Mr. McKELLAR. The Senator is speaking of a desire to aid. I am wondering if the Senator expects to offer an amendment of any kind to this resolution. The Senator has talked about our getting together as far as possible and ironing out our differences. I am wondering if the Senator would not prepare such an amendment as he expected to offer to this resolution so that we can understand just what he desires to do.

Mr. HEFLIN. I am not now advocating the Willis-Madden bill. I am saying what must be in the bill that I support.

Mr. McKELLAR. Then the Senator is just opposed to the Norris resolution?

Mr. HEFLIN. I have a plan, but I have not worked it out in all its particulars as I would like to have it. I am not advocating the Willis-Madden bill now, but I am saying to the Senator, who has some good suggestions himself, that from what the Senator from North Carolina has said I believe we can go ahead and improve that bill or draft a bill that will cause somebody to come in and offer a bid, and then, if they will not bid, let us fix up a Government proposition and require that all that power, as the Senator from North Carolina has said, be devoted to making fertilizer at Muscle Shoals.

Mr. McKELLAR. Mr. President, I offered an amendment to the Senator's resolution which provides that, should it be determined by the Secretary of Agriculture that fertilizer can be manufactured feasibly and economically, the plant should be run to capacity performance. That is along the line the Senator has suggested.

As the Senator from Nebraska knows, he and I have not agreed on the question of experimentation. I agree with him as far as he goes, but I do not think he goes far enough in that respect.

Mr. HEFLIN. One of the reasons why I object to the Senator's proposition is that it leaves it to the Secretary of Agriculture, and the present Secretary of Agriculture caused to be permitted a statement to go out from the Agricultural Department on the 15th of September last that broke the price of cotton \$40 a bale, 8 cents a pound, and cost the farmers of the South on a twelve and a half million bale crop, \$400,000,000. I do not want to leave anything to the discretion of the

Secretary of Agriculture, and let him say whether or not he will make any fertilizer at all, and how the experiments shall be carried on.

Mr. McKELLAR. I know the Senator does not think I am defending the Secretary of Agriculture in that respect or in any other respect.

Mr. HEFLIN. I know that.

Mr. McKELLAR. I think he is the poorest Secretary of Agriculture we have ever had in this country, beyond any question.

Mr. HEFLIN. I do not doubt that at all.

Mr. McKELLAR. I think his actions in reference to the matter the Senator refers to, and in other matters, show that he is unfit for his office. But I do not anticipate that the present Secretary of Agriculture will be occupying that office for a great while. I hope not, at any rate.

Mr. HEFLIN. I agree with the Senator. I did not mean to leave any such impression as he suggests, because I know where the Senator's heart is. He is a friend of the farmer. I want to see if we can not get together and work out a proposition to lease the project to some private citizen, and if we can not make a satisfactory deal with him, then require the Government itself to do it and direct in the law what shall be done at Muscle Shoals. That is plain. That is simple, and we ought to be able to get together on such a proposition.

The resolution of the Senator from Nebraska provides for leaving it to the Secretary of War and the Secretary of Agriculture, and the various amendments, of course, have to dovetail in with the purpose of that resolution. That is what I meant in referring to the Senator from Tennessee, because that is all there is to it.

There was nothing else at this particular time to amend but the resolution. But I am now suggesting, in the interest of sound legislation and sound government and economic principles, to keep the Government out of competition with private citizens and to carry out our contract with the farmer, to defeat the resolution and to offer another proposition and see if we can get a bid; and if we can not get a bid, then let us name in the law what shall be done at Muscle Shoals for the farmer by the Government itself. I repeat that is a very simple and plain proposition.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. HEFLIN. Certainly.

Mr. NORRIS. I want to ask the Senator about the proposed substitute which he had printed the other day. Does not the Senator expect to offer that substitute?

Mr. HEFLIN. I expect to perfect it and offer it later, if I am convinced that that is the only way to get fertilizer for the farmer at Muscle Shoals. I am willing for the Senator from Tennessee [Mr. McKELLAR], and the Senator from North Carolina [Mr. SIMMONS], and the Senator from Georgia [Mr. GEORGE], and any other Senator to make suggestions relating to the substitute or any other measure. I am waiting to see if we can not dispose of the matter with that principle in view—that we are going to dedicate Muscle Shoals to the farmer and make fertilizer there.

Mr. NORRIS. Is the Senator's substitute, including the Cyanamid bid, the same as the bill offered by the Senator from Ohio [Mr. WILLIS]?

Mr. HEFLIN. Yes; that part of it which takes in Dam No. 2 and plant No. 2 and the other Government property at Muscle Shoals. It leaves out Dam No. 3 and Cove Creek Dam.

Mr. NORRIS. It leaves those out?

Mr. HEFLIN. Yes; for the reason that I stated a moment ago.

Mr. NORRIS. And has nothing to say about Cove Creek?

Mr. HEFLIN. No. It was intended to be offered as a substitute for the Senator's resolution if the Senate demanded a plan for a lease of Dam No. 2 and plant No. 2 separate and apart from other projects.

Mr. NORRIS. Does it provide for the building of Dam No. 3?

Mr. HEFLIN. No. The Senator's resolution does not provide for building Dam No. 3. I hope to see the Government build it.

Mr. NORRIS. That is a bid which the Cyanamid Co. has never yet made. Has the Senator an assurance that the Cyanamid Co. would accept it in that form?

Mr. HEFLIN. I am not absolutely certain; but they are interested in it, I have been told; but I do not care whether we accept the Cyanamid Co. bid or not. I want to stay with the issue, and I intend to stay with it, that we use that power to make fertilizer for the American farmer. There is no dodging that question. If we use it for the purpose set out in the resolution of the Senator from Nebraska, we do not do that. This is a power proposition. If we do what I am suggesting

here, we are doing that which the farmer wants done, which we promised to do, and which will bless and benefit the farmer. That is what I am striving to have done, and I am going to continue to strive to have that done.

Mr. SACKETT. The Senator is interested, then, only in plant No. 2?

Mr. HEFLIN. No; in plant No. 1 and plant No. 2 and Dam No. 2. I would use all the power at Muscle Shoals. I want to say in that connection to the Senator from North Carolina [Mr. SIMMONS] that that dam produces about 80,000 primary horsepower and plant No. 2 will produce nearly 80,000.

Mr. McKELLAR. The Senator means the steam plant?

Mr. HEFLIN. Steam plant No. 2; so there is 160,000 horsepower to be distributed on those lines running out in every direction, and that is why the transmission lines would cost so much.

Mr. SIMMONS. That was why I objected to a bill which provided only that they should manufacture fertilizer only 10,000 tons the first year.

Mr. HEFLIN. The Senator and I are agreed. I am not wedded to any specific amount that has been set out. I want us to make them do whatever we desire to have them do, and make all the fertilizer that the power there will produce.

Mr. McKELLAR. Mr. President, will the Senator yield again?

Mr. HEFLIN. Certainly.

Mr. McKELLAR. The Senator talks about the cost of transmission lines. We had an investigation made in our State about a year or a year and a half ago as to the cost of transmission lines. My recollection is that those transmission lines were then estimated to cost about \$2,000 a mile. If that is the cost, the Senator can see that transmission lines could be built very much more cheaply than he has estimated; in other words, from \$12,000,000 to \$20,000,000 would build all the transmission lines that might be necessary.

Mr. HEFLIN. I want to suggest to my friend that those little transmission lines he is talking about which cost \$2,000 a mile are chinquapin lines.

Mr. McKELLAR. They are just the same size as are now used by the Alabama Power Co.

Mr. HEFLIN. No; I understand that the Alabama Power Co.'s lines cost about \$12,000 a mile.

Mr. McKELLAR. The Senator may be mistaken. I am giving the estimates which, as I recall, were furnished to us about a year ago.

Mr. HEFLIN. It depends on the territory through which they run and the kind of lines constructed. There is a tremendous cost. I want to say again, so that Senators will get it firmly in their minds, that if we once construct these lines running out in every direction from Dam No. 2 and plant No. 2, there will be no fertilizer manufactured at Muscle Shoals. The fertilizer proposition would then be dead. They would say to us then, Why, you have already expended millions of money to put up the transmission lines. If you try to make fertilizer now you will be throwing that money away. So, Senators, now is the time to kill this measure and prevent that waste of money, prevent that perversion of this fertilizer project and hold it true to the purpose of its creation, the making of cheap fertilizer for the farmer.

Mr. SACKETT. Mr. President, will the Senator yield?

Mr. HEFLIN. Certainly.

Mr. SACKETT. The Senator will remember, I think, that at the last hearing when we had the matter of the cyanamide bid up for consideration, after the hearing was over a resolution was passed by the Senate to find out what contracts the Cyanamid Co. had made for the use of power at Muscle Shoals. The Senator will remember, too, that they had already entered into an agreement, if their bid came through, to sell 50,000 primary horsepower to the Union Carbide Co. That does not look as though they would use the power at Muscle Shoals to any great extent to make fertilizer.

Mr. HEFLIN. I am talking about us directing them what to do. Let us direct them to do it. I would not object to having enterprises and industries come into my State at Muscle Shoals. I would be glad to see them there and glad to see them go into Kentucky, Tennessee, North Carolina, and Texas, and all the other States.

Mr. SACKETT. That is all begging the question.

Mr. HEFLIN. Not at all. I see nothing wrong in that matter, if the Union Carbide Co. wants to come to Muscle Shoals. Let it come.

Mr. SACKETT. The Senator wants to have the power used to make cyanamide.

Mr. HEFLIN. I would use all the power at Dam No. 2 and plant No. 2 to make fertilizer, as I have already said. I am not



wedded to the cyanamide plan. We will require them to make it under any process that is the cheapest and best. I understand now that under the Willis-Madden bill they will agree to use any process that is necessary to cheapen it and make the required amount of it.

Mr. McKELLAR. I want to call the Senator's attention to one statement that he has made a number of times to-day, and that is that we must carry out the plan of the original act. In that I am heartily in accord with him. But the Senator will recall that the original act provides that the power shall never be used by and never be leased or transferred to any private company. Does the Senator recall that language of the act?

Mr. HEFLIN. I do not recall the exact language, the exact phraseology, but the Senator has come to my position. The law, under his construction of it, says in effect—and I agree with him—that we shall not use Muscle Shoals for any other purpose except to make nitrates for the Government in time of war and fertilizer for the farmers in time of peace. Is not that right?

Mr. McKELLAR. It specifically provides for it, and in that respect I am in hearty and perfect accord with the Senator.

Mr. HEFLIN. The Senator and I are agreed then. That is what I said in the outset. The act itself provides that this power must be used in peace times to make fertilizer for the farmer and in war times to make nitrates for the Government, and that it shall not be used for any other purpose. And I want Congress to live up to its provisions.

Mr. NORRIS. It specifically provides also that it shall never be leased by the Government to a private party. That is in the law. The Senator is advocating the abrogation of that part of the law when he says we should lease it to the Cyanamid Co. or to any other private person or corporation.

Mr. HEFLIN. The minute Congress enacts a law accepting a lease, that part of the old law is repealed.

Mr. NORRIS. Exactly. There is no doubt about that, but the minute Congress enacts a law which provides for other use, either in war or in peace, then we have repealed that provision, too. I am not asking for a repeal in either case, but the position that the Senator takes, it seems to me, is inconsistent, because he said we must make fertilizer with this power, even though we make it at a financial loss, because the original act says so, and in the next breath he says, "I want to lease this power to a private corporation," when the original act says it shall not be so leased.

Mr. HEFLIN. I want to lease it to some one to make fertilizer, because we have no proposition before us to make the Government do it. The Senator's resolution does not do it. It turns it over to the power concerns.

Mr. NORRIS. No; it does not turn it over to the power concerns.

Mr. HEFLIN. If they sell the power, why does it not?

Mr. NORRIS. The resolution gives to every municipality within transmission distance a preference to get the electricity that they may find necessary to use.

Mr. HEFLIN. I understand. That is what I maintain, that it is turned over for power purposes. That may not mean that we are going to turn it over to any particular power company, but it leaves fertilizer out entirely and becomes a power proposition purely, and I do not intend that that shall happen if I can help it.

Mr. McKELLAR. Now let us get this matter of the law straightened out. The original act under which the plant was built contains this provision:

The plant or plants provided for under the act shall be constructed and operated solely by the Government and not in conjunction with any other enterprise carried on by private capital.

Nothing can be stronger, nothing can be more explicit, nothing can be more certain than the terms of the act.

Mr. HEFLIN. I am glad my friend called my attention to that language, because that brings out the proposition which I have made stronger than ever. Those who wrote that law were intending to protect our property and keep it from getting into the hands of the power companies. I believe that was the idea they had in mind.

Mr. McKELLAR. It was "private enterprise"; and I want to call the Senator's attention to the fact that while I agree with him that the proposition for the manufacture of fertilizer for experimentation in the pending resolution does not go far enough, I have intended to offer an amendment which will provide for capacity production of fertilizer as provided in the original act. I want him to give it that very careful consideration which I know he is capable of, because of his interest in the matter.

Mr. HEFLIN. I shall be glad to do that.

Mr. SHEPPARD. Mr. President, will the Senator yield?

Mr. HEFLIN. I am glad to yield to the Senator from Texas. Mr. SHEPPARD. I want to call the Senator's attention to the fact also that the Norris resolution provides that the fertilizer plant shall be constructed at Muscle Shoals, that nitrate plant No. 2 shall be used in connection with that plant, and that finished fertilizer shall be made in that way.

Mr. HEFLIN. It merely says it is authorized. It authorizes the Secretary of Agriculture to construct the plants over the country and one of them at Muscle Shoals. That one the Senator from Nebraska included upon my suggestion.

Mr. SHEPPARD. It is provided that one shall be established at Muscle Shoals to make fertilizer.

Mr. HEFLIN. If we have plant No. 2 there, and if we are going to use the money that we sell the power for to construct transmission lines all over the country, as far as the power will reach, 160,000 horsepower, there will not be any money left for fertilizer. Do not be deceived about that, Senators.

Mr. McKELLAR. That is just the surplus power. There is another amendment which will be offered by the junior Senator from Arkansas [Mr. CARAWAY], in which it is provided, as I understand his amendment, that the cyanamide plant shall be used, and if feasible it shall be continued to be used.

Mr. HEFLIN. All of these resolutions and amendments leave something to the judgment and discretion of the Secretary of Agriculture and the Secretary of War, and I do not want them to have that power, and I do not want the Government to have to do this work if I can prevent it. We have tried to do something with Muscle Shoals. We have failed thus far to do anything. Now we have reached the time when we ought to do something, and the matter ought to be disposed of. The farmers themselves are not in favor of the Norris resolution. Every Senator who votes for it knows that, because I have stated it here, and my colleague, the junior Senator from Alabama [Mr. BLACK], read telegrams from the farmers showing that the farmers and the farm bureaus are against the resolution of the Senator from Nebraska.

No farm organization is for it; all the farmers are against it. They are against the principle involved in it. They want us to lease that power if we can to some private individual and compel him under the law to make cheap fertilizer for the farmer.

Mr. McKELLAR. Yes; but the Senator has admitted this afternoon that he himself has no proposal or bid which he is willing to support. In other words, as I understand him, the proposal in the Willis-Madden bill is not satisfactory to him.

Mr. HEFLIN. I should like to see it amended.

Mr. McKELLAR. The Senator proposes to amend it by elimination to a very large extent, but even the eliminated measure does not meet his views. So what proposal has the Senate before it that we could accept according to the Senator's view?

Mr. HEFLIN. I would support the substitute which I have culled from the Willis-Madden measure, confining its operations to plant No. 2 and Dam No. 2 and the property there. I would support that in preference to the joint resolution of the Senator from Nebraska.

Mr. McKELLAR. But the Senator is not satisfied with it.

Mr. HEFLIN. I am not offering it now, and I am not entirely satisfied with it. I should like to have some of the language changed and made stronger so as to make it absolutely certain that who ever gets the plant will make fertilizer or forfeit the lease. I will say to the Senator—and I think he will agree with me—that later on I would like to see the Government build Dam No. 3 and Cove Creek Dam, and some of the other dams there, so as to help navigation and flood control, but I fear that we can not pass such a measure at this session of Congress. The pending measure is the only proposition before us that we can dispose of. The joint resolution of the Senator from Nebraska is confined to plant No. 2 and Dam No. 2 and property there, and I framed the measure to which I have called attention for the purpose of meeting his proposition. I shall urge the building of Dam No. 3 and other dams later on. I am saying to my friend from Tennessee that if he could amend my substitute so that it would suit him and other Senators here I believe we could all support it. If we can not do that, let us get up another one. We do not have to vote for this measure merely because it is before us. We reject measures here frequently and defeat them outright. We do not have to vote for a measure because it is before us.

However, Mr. President, the suggestion I wish to make before I yield the floor, which I have occupied for nearly three hours, is that we vote down the joint resolution of the Senator from Nebraska and then see if we can not get together on a proposition that will dispose of Muscle Shoals and at the same time keep faith with the farmers and carry out the purpose of the original act which was to manufacture fertilizer for the farmers.

in time of peace and nitrates for the Government in time of war.

Mr. CURTIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Kansas?

Mr. HEFLIN. I do.

Mr. CURTIS. I should like to inquire if the Senator can not complete his speech to-night. We are very anxious to reach a vote on the pending joint resolution as soon as we can, and, if the Senator could proceed for a little while and finish his speech to-night, I should like to have him to do so. There are other Senators ready to speak in the morning.

Mr. HEFLIN. On this measure?

Mr. CURTIS. Yes.

Mr. HEFLIN. Well, I am about through.

Mr. CURTIS. Then can not the Senator finish to-night if he proceeds?

Mr. HEFLIN. I have about finished for the present. I may want to say something in reply to other Senators, but I think I have about covered the ground.

Mr. CURTIS. If the Senator will yield the floor, I will move an executive session.

Mr. HEFLIN. I yield.

#### EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

#### RECESS

Mr. CURTIS. I move that the Senate take a recess until to-morrow at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate took a recess until to-morrow, Thursday, March 8, 1928, at 12 o'clock meridian.

#### NOMINATIONS

*Executive nominations received by the Senate March 7 (legislative day of March 6), 1928*

##### COLLECTORS OF CUSTOMS

George D. Hubbard, of Seattle, Wash., to be collector of customs for customs collection district No. 30, with headquarters at Seattle, Wash., in place of Millard T. Hartson, deceased.

Carey D. Ferguson, of Detroit, Mich., to be collector of customs for customs collection district No. 38, with headquarters at Detroit, Mich. (Reappointment.)

#### CONFIRMATIONS

*Executive nominations confirmed by the Senate March 7 (legislative day of March 6), 1928*

##### ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

David E. Kaufman to be envoy extraordinary and minister plenipotentiary to Bolivia.

##### UNITED STATES MARSHAL

Joseph Fritsch, jr., to be United States marshal, western district of New York.

##### POSTMASTERS

###### CALIFORNIA

Peter Garrick, Camino.  
Lew E. Wickes, Castella.  
Cassius C. Olmsted, San Rafael.  
Walter M. Brown, Turlock.  
Jennie E. Kirk, Waterford.

###### FLORIDA

Mary Joyner, Bagdad.

###### MAINE

Carl W. Mitchell, Union.

###### NEBRASKA

Edwin P. Clements, jr., Ord.

###### NORTH DAKOTA

Ole H. Opland, Mott.

###### OREGON

David S. Young, Dufur.  
Don Ellis, Garibaldi.  
Fred C. Holznagel, Hillsboro.  
Thomas G. Hawley, Multnomah.

###### PENNSYLVANIA

Christian Jansen, Essington.  
Michael A. Grubb, Liverpool.

#### PORTO RICO

Nicholas O. Lebron, Albonito.  
Jose E. Guenard, Mayaguez.  
Roque Rodriguez, Ponce.  
Juan V. Hernandez, San Sebastian.  
L. Castro Gelpi, Vieques.

#### TEXAS

Louise Sackett, Bullard.  
Walter E. Hall, Lufkin.  
Willie M. Prouty, Wallis.  
Fannie Dawson, Wilson.

#### UTAH

Agnes Turnbull, Scofield.

#### WEST VIRGINIA

Nina E. Welch, Camden on Gauley.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, March 7, 1928

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord, our Lord, how excellent is Thy name in all the earth! who hast set Thy glory above the heavens. When I consider the heavens, the work of Thy fingers; the moon and the stars, which Thou hast ordained; what is man that Thou art mindful of him, and the son of man that Thou visitest him? For Thou hast made him a little lower than the angels, and hast crowned him with glory and honor. Thou madest him to have dominion over the works of Thy hands; Thou hast put all things under his feet. O Lord, our Lord, how excellent is Thy name in all the earth. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had passed with amendments the bill (H. R. 4702) entitled "An act to remove the charge of desertion from the record of Benjamin S. McHenry," in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate disagrees to the amendments of the House of Representatives to the bill (S. 1498) entitled "An act to extend the time for the construction of a bridge across the Chesapeake Bay, and to fix the location of said bridge," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. JONES, Mr. McNARY, and Mr. FLETCHER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10286) entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1929, and for other purposes."

The message also announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 437. An act authorizing the Maysville Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near Maysville, Ky.; and

H. R. 472. An act authorizing Dwight P. Robinson & Co. (Inc.), its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near Maysville, Ky.

The message further announced that the Senate had passed a joint resolution and bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. J. Res. 95. Joint resolution authorizing the Secretary of Agriculture to dispose of real property, located in Hernando County, Fla., known as the Brooksville Plant Introduction Garden, no longer required for plant introduction;

S. 150. An act for the relief of former officers of the United States Naval Reserve Force and the United States Marine Corps Reserve who were released from active duty and disenrolled at places other than their homes or places of enrollment;

S. 624. An act for the relief of the Van Dorn Iron Works Co.;  
S. 656. An act to amend section 15a of the interstate commerce act, as amended;

S. 766. An act to fix the compensation of registers of local land offices, and for other purposes;